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CONTENTS

ALBANIA

Foreign Ministry Rebuts Mojsov's Accusations *[Tirana Radio]* 1
ATA Commentary on Allegations *[Tirana Radio]* 1
Soviet Media 'Defend' SFRY's Kosovo Policy *[Tirana Radio]* 2
Commentary on Above-Plan Production Bonuses *[ZERI I POPULLIT 26 Feb]* 2

BULGARIA

Press Publishes Economic Decree Regulations *[RABOTNICHESKO DELO 17 Feb]* 4
Decree on Implementing Decree *[RABOTNICHESKO DELO 21 Feb]* 23

CZECHOSLOVAKIA

Presidium Issues 'Victorious February' Statement *[RUDE PRAVO 21 Feb]* 24
Vaclavik 'Order of Day' *[RUDE PRAVO 25 Feb]* 25
Premier Adamec Answers People's Questions 26
Adamec Visit to USSR Assessed, Praised *[Kazda in RUDE PRAVO 20 Feb]* 28
Deputy Premier Criticizes State of Health Care *[Bratislava PRAVDA 1 Mar]* 29
Importance of Market Mechanism Emphasized *[RUDE PRAVO 24 Feb]* 29
Legalization of Solidarity Warned Against *[Pokorny in PRACE 18 Feb]* 30
Writers Association Chief Resigns; Valek Named *[Prague Radio]* 30
Results of Inquiry Into Investment Projects *[RUDE PRAVO 22 Feb]* 31
Canceled Military Production Causes Insolvency *[Krsko in Bratislava PRAVDA 27 Feb]* 31
Plans for Danube-Ostrava Waterway Ready *[Bratislava PRAVDA 16 Feb]* 31
Books by Catholics, Emigres To Be Published *[MLADA FRONTA 22 Feb]* 32

HUNGARY

Grosz Addresses Szolnok County Deputies *[Budapest Radio]* 33
Nemeth Previews Upcoming Visit to Soviet Union *[Budapest Radio]* 33
Nemeth, Delegation Depart 2 Mar *[MTI]* 34
Nyers Views Current Political Situation *[MAGYAR NEMZET 20 Feb]* 34
Fejti Discusses Constitutional Debate *[Budapest TV]* 35
Party Economic Policy Subcommittee Meets *[MTI]* 39
Baranyai Details Social Democratic Platform *[Budapest Radio]* 39
Independent Groups Demonstrate for Havel Release *[Budapest Radio]* 40
Romanian Emigres Reunited With Children *[Budapest Radio]* 40
Conscientious Objectors Released From Prison *[Budapest Radio]* 40
Commercial Banks To Join Foreign Exchange Market *[MTI]* 40

POLAND

Kiszczak, Walesa Discuss Roundtable Progress *[Warsaw Radio]* 41
Talks Termed 'Step Forward' *[Hamburg DPA]* 41
Reportage on Meetings of Roundtable Subteams 41
Subteam for Mining Meets *[PAP]* 41
Mining Chairmen Comment *[PAP]* 41
Subteam for Housing Meets *[PAP]* 42
Ecological Subteam Debate Held *[PAP]* 42
Group Issues Draft on Debt *[PAP]* 42
OPZZ Stands on 2 Mar Subteams Presented *[PAP]* 42
OPZZ Proposals on Social Consensus 'Humoristic' *[PAP]* 43
Rakowski Addresses OPZZ Council Session *[TRYBUNA LUDU 24 Feb]* 43

Further on Stike Situation Throughout Country 45
Lublin Meat Workers Return *[PAP]* 45
Daily on 24 Feb Situation *[TRYBUNA LUDU 25-26 Feb]* 45
1 Mar Situation Reported *[PAP]* 45
3 Mar Strike Situation *[PAP]* 46
Prosecutor on Causes of Bialystok Priest's Death *[PAP]* 46
Bulgarian Paper Interviews Industry Minister *[RABOTNICHESKO DELO 20 Feb]* 46
Commentary Views Secretary Baker's NATO Tour *[Broniarek in TRYBUNA LUDU 21 Feb]* 47
Liberal Groups Propose Reforms in Government *[PRZEGLAD KATOLICKI 5 Feb]* 48
Journalists Demand Free Speech Institution *[PAP]* 49

ROMANIA

Ceausescu Receives Ethiopian Deputy Premier *[AGERPRES]* 50
Ceausescu Receives YAR Envoy's Credentials *[AGERPRES]* 50
Manescu Meets Japanese Officials in Tokyo *[AGERPRES]* 50
Duma Signs Economic Protocol With Italy *[AGERPRES]* 50
Agriculture Minister on Party, State Farm Policy *[AGERPRES]* 51
Daily on Socialist Property in Agriculture *[AGERPRES]* 52
Daily Comments on Economic Protectionism *[AGERPRES]* 53

YUGOSLAVIA

1 Mar Joint Assembly Session Proceedings *[TANJUG]* 55
Presidency Communique on Kosovo Measures *[TANJUG]* 59
Political Parties 'Incompatible' With Constitution *[TANJUG]* 60
Andjelkovic, Minic Address Belgrade Protesters *[TANJUG]* 60
Kosovo Miners To Be Discharged From Hospital *[TANJUG]* 60
Strike, Demonstration Organizers Arrested 61
LC Secretary Addresses Rumors *[Belgrade Radio]* 61
Vlasi, Abrasi, Kavaja Detained *[TANJUG]* 61
Internal Affairs Statement *[TANJUG]* 61
Kosovo Presidency on Arrests *[TANJUG]* 61
French Journalist Reportedly Harassed in Kosovo *[AFP]* 62
Vojvodina Presidency Affirms Support for State *[TANJUG]* 62
Kosovo Defense Committee Issues Communique *[Pristina Radio]* 62
Montenegro's SAWP Favors Policy on Kosovo *[TANJUG]* 63
Macedonian Presidency on 'Critical' Situation *[TANJUG]* 63
TANJUG Summarizes Reaction to Kosovo Events 63
Pristina Radio Director, TV Officials Resign *[Belgrade Radio]* 64
Pristina Journalists Threaten To Strike *[Zagreb Radio]* 64
Two Pristina Officials Submit Resignations *[Zagreb Radio]* 64
Situation in Kosovo Reportedly Normalizing *[TANJUG]* 64
Kosovo Described as 'Returning to Normal' *[TANJUG]* 65
Political Scene Described as 'Clearing Up' *[TANJUG]* 65
'Normalization' of Life, Work Continuing *[Belgrade Radio]* 66
Work Resumes in Titova Mitrovica Enterprises *[TANJUG]* 66
TANJUG Responds to Claims of Chauvinism 66
'General Atmosphere of Fear' Denounced in DELO *[Dobrsek, 28 Feb]* 66
Proceedings of Ljubljana Meeting; Reaction 67
Kucan, Smole Speak *[DELO 28 Feb]* 67
Smole Justifies Protest *[TANJUG]* 68
Veterans Disagree on Meeting *[Belgrade Radio]* 69
Press Commentary *[TANJUG]* 70
Croatian Presidency Issues Statement on Unity *[TANJUG]* 70
Croatian Writers Comment on Kosovo Strikes *[Zagreb Radio]* 71
Advise Milosevic To Resign *[BORBA 28 Feb]* 71
Croatian Group Endorses Miners' Demands *[Zagreb Radio]* 71
Slovene, Croat Reaction to Kosovo Viewed *[Stavljanin on Belgrade Radio]* 72
BORBA Comments on Croatian 'Revolution' *[22 Feb]* 73
Papers Criticize 'Croatian Democratic Community' *[TANJUG]* 73

Foreign Ministry Rebuts Mojsov's Accusations

AU0203192289 Tirana Domestic Service in Albanian 1900 GMT 2 Feb 89

["Declaration by Spokesman of the Ministry of Foreign Affairs of the People's Socialist Republic of Albania on Lazar Mojsov's Statements"]

[Text] At the 1 March emergency session of the SFRY Assembly, Lazar Mojsov, member of the SFRY Presidency, speaking about events in Kosovo, accused Albania of supposedly interfering in Yugoslavia. In his statement, he went so far as to imply that the severe situation in Kosovo and Yugoslavia has been created by Albania. Mojsov, together with certain circles in Yugoslavia, instead of analyzing the real causes of the dramatic events in Kosovo and, on this basis, finding ways of resolving them, are creating imaginary culprits outside Yugoslavia's border. And they, not infrequently, accuse other countries of creating situations that they themselves have created. This is a well-known tactic.

We categorically reject the accusations about Albania's alleged interference in Yugoslavia's internal affairs, about the alleged involvement of Albania's intelligence service in the developments in Kosovo, as well as the absurd claims that Albania's television is giving instructions pertaining to Kosovo in its regular transmissions.

Mojsov is creating legends with multi-headed dragons, events and facts are falsified in order to cover up the truth and divert the attention of domestic and international opinion, which is concerned about the tragedy taking place in Kosovo. The justified efforts of the Albanians in Yugoslavia to preserve the province's autonomy and to defend their history, language, and culture, are termed by Mojsov as counterrevolution. It is not appropriate that a representative of Macedonia in the highest organ of the SFRY speaks in this way and makes declarations against Socialist Albania and its correct policy. The policy of Albania is not a two-tracked policy, as Mojsov seeks to present it. It has always been, and remains, a principled policy of goodneighborliness, and this includes relations with Yugoslavia.

All the world knows and talks about what is really happening with the Albanians in Yugoslavia. Statements like Mojsov's fool no one and do not serve to resolve the situation. Kosovo's problems are numerous. Solutions cannot be found to these problems by attacks and accusations against others or by threatening violence against Albanians, but through wisdom and coolness. This would benefit the stability of Yugoslavia, as well as peace and security in the Balkans.

ATA Commentary on Allegations

AU0203203989 Tirana Domestic Service in Albanian 1900 GMT 2 Mar 89

[ATA commentary: "Lazar Mojsov's Anti-Albanian Insinuations"]

[Text] Lazar Mojsov, member of the SFRY Presidency, took it upon himself to launch another attack against Socialist Albania and to slander it. Without any foundation at all, but fully intentionally and in an openly provocative manner, he spoke to the delegates of the SFRY Assembly about the alleged continuous activity of the Albanian intelligence service against Yugoslavia with the intention of destabilizing Kosovo. He threatened that Yugoslavia cannot tolerate Albania's interference in the Kosovo developments. He failed to present any facts in support of his claims, which are as absurd as they are stale, but this did not prevent him from saying that the Albanian television programs include instructions by the Albanian intelligence service.

Another sensational claim invented to shock Yugoslav and international opinion was that the Albanian intelligence system had established its centers in Kosovo even before 1948 and that those hundreds and thousands of people who have been sentenced since had links with these centers and with Albanian intelligence. He also claims that the protests organized by Kosovar emigrants in various countries are coordinated by Tirana.

As is obvious from his long speech, Mojsov's slanders and calumnies are intended solely to cast aspersions on the policy of the People's Socialist Republic of Albania and its name. They are intended not only to justify the provocative anti-Albanian campaign, which has never ceased in Yugoslavia, but is also intended to present some kind of juridical base for future programs directed against the Albanians in Yugoslavia, labeling as agents of Albania all those Albanians who, according to lists drafted in Belgrade, have been selected to be arrested, interned, subjected to differentiation, and perhaps even killed.

Mojsov stated that he possesses a document supposedly compiled by the real center which allegedly directs all events in Kosovo, including the entire list of the general separatist staff. This document is also supposed to include plans to overthrow the leadership of Serbia, to divide Yugoslavia, and even for the Army's intervention in Kosovo which, according to Mojsov, the Albanians would consider to be a great stroke of luck, since this would help the efforts to further homogenize the Albanian nationality in Yugoslavia. Moreover, if Mojsov is to be believed, the nationalists and separatists have achieved this last aim, as a result of the dispatch of Army units to Kosovo.

Mojsov's intentions are so wild that they cannot conceal the obscure plans now being drafted in Belgrade, not only to subdue Kosovo, but, judging by latest events, also to establish Serbian rule throughout Yugoslavia. Their chauvinist blindness and deafness are preventing Mojsov and his companions from seeing and hearing what the world is thinking and saying. Their thirst for unlimited power makes them look like provocateurs and ludicrous at the same time, but also very dangerous.

The situation in Yugoslavia is extremely turbulent and no one knows what may happen. The Serb leaders have [words instinct]. Their actions and their campaign are

both savage and satanic, but it is unlikely that the peoples of Yugoslavia will be deceived by the nationalist demagoguery and retreat before the kind of blackmail illustrated by Mojsov's declarations.

As for the Albanians themselves, it is not their custom to be intimidated by threats, nor to fall into the trap of provocations, even though they may be as loud as those heard in the Federal Assembly.

Soviet Media 'Defend' SFRY's Kosovo Policy

AU0203211589 Tirana Domestic Service in Albanian 1900 GMT 2 Mar 89

[Text] The Soviet media has expressed its full solidarity with the aims of the Serbian leadership in connection with the Kosovo events. It has condemned the Albanians and their justified demands defending the province's autonomy. Like the Belgrade press, the Soviet newspaper IZVESTIYA has accused the Albanians of being nationalists and separatists, that they are swept by chauvinistic emotions, that they are responsible for the tense situation in Kosovo, and so forth. The Soviet newspaper also defended the amendments in the Constitution of Serbia, limiting the autonomy of Kosovo.

Commentary on Above-Plan Production Bonuses

AU0203171189 Tirana ZERI I POPULLIT in Albanian 26 Feb 89 p 1

[Editorial: "What Is Meant and How It Is Understood: The Right to Supplementary Remuneration Comes Only From Increased Production Above the Plan"]

[Text] Throughout the country, in agricultural cooperatives and enterprises, in aktivs and party base organizations, a lively discussion is taking place on the decision to introduce new forms of remuneration for working people in agriculture. According to this decision, working people in arable and orchard brigades will be given the entire value of their above-plan production, for every crop taken separately, after above-plan expenditure and a reasonable sum for accumulation have been deducted.

Cooperativists have also enthusiastically welcomed the decision to sell agricultural and animal products from the brigade plots, from the small herds and fields, to brigade members at cost price.

However, both the discussion and daily propaganda pay scant attention to two problems:

First, both the bonuses for above-plan earnings achieved by brigades and the favorable prices, equal to its cost, for the sale of produce from the brigade plots do not in themselves profit the peasantry if there is no increase in production and yield. It must be realized that increased production above the plan is the basis for benefiting from these two decisions.

Second, supplementary remuneration for individual crops cannot be gained if the brigade does not fulfill its financial plan as a whole, achieve its planning earnings, and place its expenditure on an economic footing. The brigade itself may determine other conditions, such as, a minimum number of working days for each of its members.

Let us consider these two matters in more detail.

The decision of the seventh AWP Central Committee plenum on the remuneration of working people is essentially a way of encouraging their interest in increasing production. The demands of the decision are very specific. We must therefore be as practical as possible in analyzing them. However, this does not mean that we must look to the past for examples or illustrative situations. It must be explained to the brigades that they will earn such and such a bonus sum if they produce so much above the plan. The brigade must perform its calculations on the basis of the tasks of the plan for the year ahead. Persuasive facts must be used to show the brigade how, by mobilizing better its internal reserves and enforcing the discipline of the plan, by improving the quality of labor or finishing tasks early with the help of technology, they may obtain three or four quintals of wheat per hectare above the plan, and so on for other crops. In this instance, the brigade will be told that, by pledging themselves to this above-plan production, they will, under the new system of remuneration, obtain a certain amount of extra income above what they have obtained under the forms of pay used hitherto.

It must be properly realized that fulfilling the brigade's financial plan is a necessary condition for obtaining the supplementary remuneration. What sense would there be in an incentive that may lead to higher wheat production, if a brigade emerges with an unfulfilled financial plan because it neglected corn or some other crop, or because it exceeded its spending plan? Making fulfillment of the financial plan a condition for obtaining the supplementary remuneration will increase cooperativists' interest in caring for every crop. At the same time, it will tighten control on the use of materials and people's inspection of each other's labor, and will improve attention to the maintenance of property and the enforcement of the savings regimen.

The decision of the seventh AWP Central Committee plenum for the produce of the brigade plots to be sold to cooperativists at cost price in essence also seeks after higher production. As a result, every brigade must raise the question of what it will do to increase milk production, and how to improve yields in beans or vegetables, so that their production costs and, therefore, purchase price will be as low as possible.

If prices for sales within the cooperative are governed by the average production cost at enterprise level, the price of the produce of the small herds and fields will, according to the decisions of the seventh plenum, be based on the costs of each brigade. However, while a small margin

is incorporated in the price of other products sold within the cooperative, there is no margin of any kind for products of the brigade plots.

Members of brigades will profit significantly from this decision. Last year alone, the peasantry benefited to the tune of almost 50 million leks from the sale of milk from the small herds at favorable prices. The sale of all the produce of the brigade plots at prices equivalent to production costs will increase this gain.

The retail prices of milk, meat, beans, and vegetables are now in the hands of brigade members themselves. They will determine this price themselves by their labor. The members of a brigade are able to decide their aims and objectives both for the production they will achieve and the expenses they will incur. These aims, where cow's milk is concerned, could be determined on the basis of the average costs in the past, during the last 2 or 3 months. The main point is that the price should serve as an incentive for the common labor of brigade members, to increase production and reduce costs. The more produced by the brigades' plots, the better the brigade members will be supplied with these items of everyday consumption; the more costs are reduced, the more the brigade members will gain.

Party base organizations, economic bodies, and agricultural bodies in particular must therefore, in explaining the benefit of the various forms of remuneration decided on by the seventh AWP Central Committee plenum, must bear in mind that the implementation of these measures must go hand in hand with increased production. The right of cooperativists to bonuses comes only from above-plan production.

Discussing the plenum decisions among brigades will inevitably lead to fresh pledges. Viewed from this angle, the tasks of the plan must be considered minimal objectives. It is a question of making pledges to increase productivity, and boost production and financial earnings as a whole. The pledges should lead to increased production of every crop, higher earnings, and the more effective use of expenditure.

It is only under these conditions that the forms of remuneration that are being introduced can have their effect. It is only in this way that they can stimulate more production. In no case should the clarification of this be confined to a few arid explanations of the mechanism of remuneration, merely listing its positive aspects. There should be no room left for passivity, merely awaiting the results of the end of the year; everybody must find a way of setting himself objectives for exceeding planned tasks, and people must hurl themselves into action to surpass production plans.

All these forms of remuneration that lead to increased production and encourage exceeded plans are correct in form. In this way, society benefits by obtaining more agricultural and animal products, more cereals, wheat, and corn, more sunflowers and cotton, vegetables and potatoes, more milk and meat. However, in increasing production, the cooperative, the brigade, and the individual also benefit, because the common economy is strengthened, general prosperity and the value of a day's labor rises, and the individual earns more income.

We are now in the phase of discussing and making specific the tasks of the plenum in every district, enterprise, and brigade. It is the time when brigades make pledges to exceed their planned tasks. The fate of the 1989 production plan will be decided now, during the sowing season. Therefore, the spring sowing and seasonal work with crops and livestock must be carried out on time and to a proper standard, by mass action and with a spirit of militancy, by mobilizing all the internal reserves that exist in agriculture to successfully carry out the tasks of the plan and the pledges that have been made. Thus, brigades will be able start to benefit this year from all the incentives offered by the forms of remuneration that are being introduced in agriculture.

Press Publishes Economic Decree Regulations

AU2702060189 Sofia RABOTNICHESKO DELO in Bulgarian 17 Feb 89 pp 3-6

["Regulations for Applying the Decree on Economic Activity" adopted by the Council of Ministers on 15 February 1985, published in the form of a "Supplement to RABOTNICHESKO DELO Issue 48, 17 February 1989"]

[Text] Chapter 1. Companies

Section I General Provisions

Article 1. (1) The company's name must differ from the names of companies that already have been registered in the country. The name may indicate the subject of the company's activity.

(2) The company's central office is in the settlement where its central leadership is located.

Article 2. (1) The company's statutory capital represents the value of its property on the day of its establishment.

(2) When the entire statutory capital of the company has not been paid at the time of establishment, the court will register both the amount envisaged by the act of establishment, and the real amount of the statutory capital that has been paid.

(3) At its first meeting the administrative council must check whether the statutory fund property really exists and adopt immediate measures if it appears that the property is not fully owned by the company.

Article 3. (1) The state and municipal companies and the companies of the public organizations must register changes in their statutory capital when it increases or decreases more than 30 percent in comparison with the registered amount.

(2) The associate citizens' company must decrease its statutory capital if, on the basis of the annual balance, the value of its property is less than the registered statutory capital, and the loss has not been covered by additional payments or by other means.

(3) The company that has formed a subsidiary must decrease its registered statutory capital according to the rules of the preceding paragraph.

(4) The associate citizens' company cannot distribute dividends, and correspondingly, cannot deduct a part of its profits for the company that has formed it before the loss reflected in the previous year's balance has been covered.

Article 4. (1) The general assembly of the labor collective consists of all workers and employees of the company. When the labor collective is a large one and consists of subunits that are far apart from a territorial point of view, or there is shift work involved, factors that make it difficult to convene a general assembly, it can be replaced by a meeting of proxies.

(2) The meeting of proxies consists of representatives of the labor collectives, elected for a period of 2 years. The labor collective may recall its representative before the end of his term. The quota of representation is determined by the company's leader together with the trade union organ at the company.

(3) The general assembly (meeting of the proxies) convenes at least once a year. The general assembly (meeting of the proxies) is convened by the chairman of the administrative council or the company's leader, at the request of one fifth of the labor collective (the proxies) or the trade union organ at the company.

Article 5. (1) The number of members of the company's administrative and control councils is determined by the organ according to Article 11, paragraph 3, item 1 of the decree. The leader of the company is not taken into consideration in determining the number of administrative council members in accordance with Article 24 of the decree.

(2) When members of the administrative council drop out new members are appointed or elected for the period until the end of the current mandate. The members of the administrative and control councils are released according to the order in which they were appointed or elected.

(3) The members of the administrative council can terminate their participation in the council after submitting 1 month in advance a written notice to the organ that has appointed or elected them.

Article 6. (1) The chairman of the administrative council, the company's leader, and his deputies are elected or released by the administrative council by a secret vote and simple majority. The leader, or chairman, proposed for election, does not participate in the voting.

(2) The annual wages of the members of the company's administrative council are determined according to an order established on the basis of the internal labor wages regulations. The amount is determined on the basis of the company's annual results and it cannot exceed the company's average annual wages by more than 50 percent.

(3) The remuneration of the chairman of the administrative council, when he is a foreign citizen, is arranged by a contract and may be fully or partly paid in leva or in foreign currency.

(4) When the company's leader is a foreign citizen, his labor wages in leva and foreign currency, as well as his other rights and obligations, are arranged by a contract.

Article 7. (1) The company's administrative council is convened and presided over by its chairman. The company's leader cannot be chairman of the administrative council.

(2) An extraordinary meeting can be convened at the request of any of the administrative council members, or at the request of the control council chairman.

(3) The meeting of the administrative council is regarded to be in order when at least two-thirds of the members are present. Decisions are made by an open vote and simple majority of those present. The chairman of the administrative council is entitled to a decisive vote when votes are equally divided.

Article 8. (1) The control council elects one of its members as chairman. The chairman presides over the meetings of the administrative council with a deciding vote.

(2) The members of the control council are entitled to remuneration according to rules established by the internal regulations on wages. The members of the control council may not be on the payroll of the company in question.

Article 9. (1) Records are kept on the meetings of the administrative and control councils and at the general assembly of the labor collective (meeting of proxies), as well as on meetings of shareholders, or associates.

(2) Regarding the preceding paragraph, members of the respective organ are entitled to acquaint themselves with the contents of the aforementioned records.

Article 10. (1) Under Article 11, paragraph 3, volume 1 of the decree, a provisional leader of the state company, the municipal company, or the company of a social organization is appointed as long as the company organs have not been elected, but this provisional appointment should not exceed a 3-month period.

(2) If not otherwise provided under Article 11, paragraph 3, volume 1 of the decree, the provisional leader assumes the rights of a company leader. He reports on his work at the first meeting of the company's administrative council which relieves him of his duties.

(3) Under Article 11, paragraph 3, volume 1 of the decree, the branch and activities to which the field of activity of the company belongs are indicated according to the classification code on national economic branches in the People's Republic of Bulgaria.

Article 11. (1) The administrative council of the company is entitled to establish, reorganize, and close down divisions. The division is not a legal entity person. The name of the division should indicate its affiliation with the respective company.

(2) The rights, duties, and responsibilities of divisions and the manner of their cooperation, as well as the internal company management, are settled by organizational regulations adopted by the administrative council.

(3) Mutual relations among divisions of a company and between structural units of the divisions in connection with economic activities are settled by internal contracts on purchase, sales, manufacturing, services, and other things. Pre-contractual and property disputes between divisions are settled by the company leader.

(4) The division may have a separate bank account and balance sheet.

(5) The leader of the company is entitled to entrust the division leader with signing contracts with other companies and persons, and to represent the company at arbitrations and in law courts. In case of the division's insolvency, the company is responsible for the obligations assumed by the leader of the respective division.

(6) In their activities the leader of the company and the division leaders create conditions for expanding self-management, relying on the initiative and proposals of labor collectives, individual workers, and specialists in order to coordinate the interests of the division, the company, and society as a whole.

Article 12. (1) The general assembly of the labor collective (meeting of proxies), the collective organ of administration (economic council, workshop council, brigade, and other councils), and the leader represent the administrative organs of the division. They exercise the functions defined by the organizational regulations of the company and in accordance with the internal regulations of the division.

(2) The general assembly (meeting of proxies) elects the members of the collective administrative organ which submits proposals on the appointment of division leaders.

(3) When the collective of the division is small, or other specific conditions exist, no collective organ is elected upon the decision of the company's administrative council as stipulated in the preceding paragraph. In such case the general assembly of the labor collective (meeting of proxies) proposes the appointment of the division leader.

(4) The leader of the division is appointed and relieved by the leader of the company. The rest of the personnel of a division are appointed by the division leader.

(5) Whenever the leader of the company disagrees with the proposal on a personnel appointment, the collective organ proposes a new candidate. If no agreement is reached at this point, the leader of the company appoints a division leader according to his own assessment.

Article 13. (1) Subsidiary companies are established to carry out the following tasks:

1. Production and activities likely to implement technological and marketing breakthroughs.
2. Production of new goods and providing new services, as well as application of new technologies.
3. High-risk activities and types of production.
4. Production which is not directly linked to the basic activities of the company.

(2) The decision to establish a subsidiary company determines:

1. The name and head office of the subsidiary company.
2. The field of activity.
3. The statutory capital and the property included in it.
4. The number of members of the administrative and control councils.
5. The share of the profit which is deducted for the benefit of the company which has established the subsidiary company.
6. The method of coordinating the plans and production programs of the subsidiary company with that of the founding company.

(3) The founding company is responsible for the obligations of the subsidiary company regarding the property invested in the statutory capital in accordance with the act of establishment.

(4) As regards the settlement of unresolved problems of the subsidiary companies, the respective regulations valid for state companies will be applied.

(5) Subsidiary companies shall establish their own subsidiary companies. They are entitled to their own divisions.

(6) Mutual relations between the subsidiary and the founding company are settled by the act of establishment and by agreements.

Article 14. (1) The companies, as legal entities, are free to exercise their foreign economic activities without needing a permit from the state organs, except for the cases according to Articles 18 and 19 of the Decree. Each foreign economic business deal is registered by the company which concludes it, as well as by the Ministry of Foreign Economic Relations, within 7 days. The registration contains the following information:

1. The contracting parties and the final destination of the respective goods or services.
2. The matter and form of the business deal and the origin of the goods.
3. The price, the total amount of foreign currency leva, the foreign exchange, and the manner of payment, as well as the conditions of delivery (free on board, etc.).
4. The term of the agreement and its implementation.
5. The customs tariff number.

(2) Deals which service the registration export and import deal, such as international dispatching, transportation, and insurance contracts, contracts for bank services (transfer of money, cash transfers, letters of credit, guarantees, and others) are not subject to registration.

(3) Foreign economic deals according to Article 19 of the Decree are carried out with the authorization of the Ministry of Foreign Economic Relations, and according to Article 18 of the Decree—following coordination with the Ministry of Planning and Economy.

(4) Companies register with the Ministry of Foreign Economic Relations when they participate with foreign companies and in other investments abroad. The companies assess the results of their investments abroad in their annual reports.

(5) Officials who have committed violations according to the preceding paragraphs are responsible according to Article 32, paragraph 2, of the Law on Administrative Violations and Penalties. The control organs of the Ministry of Foreign Economic Relations and of the Ministry of Planning and Economy are in charge of drawing up statements against them, while the respective minister is in charge of compiling penal decrees in such cases.

(6) Registration, according to paragraph 1, is effected by submitting a declaration according to a specimen established by the minister of foreign economic relations. The registration is certified in the process of being submitted by placing a registration number and seal on the copy of the declaration which remains with the company.

Article 15. (1) Scientific research results and technological products which are subject to special legal protection belong to:

1. The company in which they have produced.
2. The party commissioning the product in case it has been produced on the basis of agreement.
3. Citizens who have independently produced the respective product outside their service or contractual obligations.

(2) Companies and citizens who are party to a contract are entitled to yield possession of the respective products, described in paragraph 1, or to make it available to other companies for their use.

Section II. Joint Stock Company

Article 16. (1) In the agreement of establishment under Article 33, paragraph 1 of the Decree, the founders agree to found a joint stock company and determine the field of its activity, the size of the statutory capital, the number and nominal value of the shares, the number of shares that each founder registers, the contributions that he is obliged to make, the consequences of nonfulfillment of the accepted obligations, and the deadline and conditions for convening the inaugural meeting.

(2) The agreement of establishment determines one or more persons who are responsible for the preparations and holding of the constituent meeting.

(3) The name of the joint stock company is to include the words "Joint Stock Company" or the abbreviation "AF," which appears at the end of the name.

Article 17. (1) The bank issues provisional certificates against the money contributions paid or the collateral mentioned in Article 22, paragraph 2, in accordance with the agreement of establishment.

(2) The provisional certificates serve as proof of the shares registered and the contributions made. The shares are obtained upon presentation of the provisional certificate.

(3) The rules relating to the shares are also applied as appropriate to the provisional certificates, unless otherwise provided.

Article 18. (1) The shareholders are obliged to contribute the unpaid portion of the nominal value of the registered shares within a deadline determined by the administrative council. In the event of a declaration of insolvency or in the cases provided for in the statute, the shareholders are obliged to pay the nominal value even if the deadline has expired.

(2) The bearer shares are issued only after their nominal value has been paid.

Article 19. The shares are indivisible. Shares with nominal values in excess of the minimum are issued in whole thousands of leva. Shares with different nominal values cannot be issued within a single joint stock company.

Article 20. (1) The joint stock company maintains a book of shareholders, in which the owners of shares by name are registered together with the numbers of shares held and their serial numbers.

(2) The transfer of shares by name is effective with regard to the joint stock company if the same is recorded in the book of shareholders, including acquisition by inheritance, as a result of the reorganization of legal persons, or arising from the cessation of their existence.

Article 21. (1) The money contributions of the founders are made to a special collection account at the bank. The account is opened in the name of the founders upon application by the persons defined in Article 16, paragraph 2, and on presentation of the agreement of establishment.

(2) Until the company is founded, the management of the funds in the collection account is carried out according to the procedure determined in the agreement of establishment or, if no such procedure is defined, by unanimous decision of the founders.

Article 22. (1) The agreement of establishment may include a provision for the contribution of real estate or movable property, rights to products of intellectual activity, know-how, share participation or shares in Bulgarian or foreign companies, bonds, receipts [vzemaniya], or other rights to the statutory capital in respect of the registered shares.

(2) In the event of an obligation being undertaken with regard to a contribution under paragraph 1 that is not yet available, the contributor must present a bank guarantee or other collateral for the declared value of the contribution. The founder who is obliged to make the contribution under paragraph 1 is liable to pay compensation if the agreed property contribution is not made, or if the contribution made does not conform to the agreed contribution.

(3) The transfer of the property items under paragraph 1 to the company is made according to an established procedure, depending on the type of contribution. No fees are payable on the transfer.

Article 23. (1) The contributions under Article 22 to the statutory capital are calculated in the following manner, depending on their type:

1. Real estate and property rights: according to the established selling prices.
2. Machines and equipment: according to their replacement value.
3. Raw and other materials: according to the prices in force.
4. Others: by agreement between the founders, based on an expert's findings.

(2) Contributions in foreign exchange to the statutory capital are calculated according to the exchange rate at which the Bulgarian National Bank purchases foreign exchange from companies and citizens, by agreement between the founders or shareholders, as appropriate.

(3) In cases where foreigners participate in the joint stock company, the contributions under Article 22 are valued by agreement between the parties.

Article 24. (1) The foundation of the joint stock company is effected at a constituent meeting, which carries out the following:

1. Establishes that the statutory capital and contributions have been provided, confirms that the constituent meeting is in order and that the agreement of establishment is observed, and adopts the valuation for the property contributions.
2. Adopts a decision on founding the joint stock company.
3. Adopts the statute.
4. Elects the administrative and control councils.

(2) The constituent meeting hears the opinion of a lawyer, who meets the requirements of Article 146, paragraph 1, and who countersigns the adopted documents.

(3) The constituent meeting may be held at the same time as the agreement of establishment is signed, provided that all the requirements of this decree are fulfilled.

Article 25. (1) If the statutory capital has not been paid in full, the constituent meeting may decide by unanimous vote to found the joint stock company with the capital that has been provided, if this is greater than the minimum permitted amount.

(2) If no application is made for the company to be registered within 2 months of the date of the constituent meeting, the contributions paid and the collateral are returned to the founders by the bank, unless the latter unanimously decides otherwise. The expenses for the foundation are born proportionally, unless otherwise agreed.

Article 26. (1) A state or municipal company may be reformed into a joint stock company by a decision of the organ, in accordance with Article 11, paragraph 3, item 1 of the Decree.

(2) By a decision according to the preceding paragraph, the organ carries out the following:

1. Determines the statutory capital and approves the statute of the joint stock company.
2. Appoints a provisional administrative council, a control council, and leader.
3. Defines the portion of the shares that are to be offered for sale, and the group of Bulgarian and foreign legal and natural persons who may purchase them.

(3) The sale of the shares is carried out by the bank chosen by the organ under paragraph 1, while the amount obtained is paid into the state investment fund or municipal investment fund as appropriate.

(4) The joint stock company accepts all the credits and debit balances and other rights and responsibilities of the reformed state or municipal company.

(5) Within 1 month of the sale of 10 percent of the shares, a general meeting of shareholders in convened, which elects the administrative and control councils.

Article 27. (1) The general shareholders' meeting consists of all the owners of the shares. The shareholders take part in the general meeting in person or by proxy.

(2) The owners of more than 20 percent of the shares are entitled to elect a proportional part of the members of the administrative council, if this is provided for in the statute.

(3) The members of the administrative and control councils may not be shareholders or servants of shareholders that are legal persons, as appropriate.

Article 28. (1) The general assembly of the shareholders is convened to a regular meeting by the chairman of the administrative council at least once a year.

(2) Owners of shares by name are convened by a written notice sent by registered mail, at least 3 weeks ahead of the meeting's date. The owners of bearer shares registered in the shareholders book, are convened in the same manner. When the shareholders reside abroad the notice must be sent at least 1 month ahead of the meeting, or 3 weeks earlier if they have an address inside the country.

(3) The convocation of the general assembly is announced in a central newspaper at the appropriate time, specified in the preceding paragraph, as well as in a prominent place in the company's administrative offices.

(4) The notices sent according to paragraphs 2 and 3, must include the meeting's agenda.

Article 29. (1) The general assembly is convened to a special meeting according to the procedure specified in the preceding article, at the decision of the administrative or control councils, at the requests of shareholders, who own a total of one-fifth of the shares, or at the leader's request.

(2) When the chairman of the administrative council does not convene the general assembly, it can be convened by some of the organs or persons pointed out in the first paragraph.

Article 30. (1) The general assembly is in order if the owners of shares whose value amounts to at least 50 percent of the statutory capital are represented and the other shareholders have been invited according to the regular procedure.

(2) Issues related to the responsibility of the leader and the members of the administrative and control councils can be decided if the shareholders attending the meeting represent at least three-quarters of the company's shares.

Article 31. (1) When the general assembly is regularly convened but there is no quorum, a new meeting is convened at a later date, which cannot be earlier than 1 month or later than 2 months after the date of the meeting which was canceled.

(2) A repeat meeting is considered in order regardless of the number of shares that are represented. In all cases the decisions are adopted by simple majority of the shares that are represented, except cases that fall under Article 38, paragraph 2 of the decree.

(3) The owners of all shares, or their representatives, can convene a general assembly if there is no objection, without observing the regulations of convening such a meeting.

Article 32. An extraordinary meeting of the administrative council is convened at the request of each of its members.

Article 33. The shareholders company can also distribute dividends in foreign currency.

Section III Limited Company

Article 34. (1) The name of a limited company must include the indication "Limited Company" ["Firma s Ogranichena Otgovornost"] or the abbreviation "OOF," at the end of the company's name.

(2) The share payments of the partners can be made in money, goods, and property and other rights. Articles 22 and 23 apply to paying and assessing nonmonetary payments.

(3) At least 70 percent of the statutory capital, and in any event at least 50,000 leva, must be paid by the date of registration. When nonmonetary share payments are envisaged, and they cannot be made on the registration date, a bank guarantee or some other form of guarantee in favor of the company must be presented.

(4) The term of paying the share payments that have been agreed upon is determined by the charter.

(5) Obligatory legal interest must be paid in cases of delay if no other interest has been envisaged by the charter or the agreement of establishment.

Article 35. (1) The statutory capital and the value of its proportional shares are defined in leva.

(2) The statutory capital can be divided into proportional shares of equal value. The number of proportional shares undertaken by every partner is determined by the charter. One proportional share entails the right to one vote, a dividend, and a liquidation share.

(3) The proportional shares of the partners can be defined as a percentage of the statutory capital. In such case the number of votes each partner has equals his percentage of the statutory capital. The dividends and liquidation share correspond to the proportional share of the statutory capital.

Article 36. (1) The general assembly of the partners convenes to a regular meeting at least twice a year, and to an extraordinary meeting at the request of any of the partners, the leader, a representative of the labor collective, or a member of the control council.

(2) The general assembly is convened by the company leader according to the procedure established by Article 28, paragraph 2. When a regular general assembly meeting sets the date of the next meeting, the participants are considered regularly invited.

(3) If the leader is inactive, any of the persons pointed out in paragraph 1 can convene a general assembly according to the procedure established by paragraph 2.

Article 37. (1) The general assembly meeting is considered regular if all members are regularly invited, and if as many of them as necessary for forming a majority on the issues on the agenda are present. The meeting is chaired by one of the members, elected by simple majority.

(2) When the general assembly is regularly convened, but there is no quorum, a new meeting is convened at a later date, which cannot be earlier than 1 month before or later than 2 months after the original meeting.

(3) Pressing issues can be decided by the general assembly in absentia by a protocol, signed by all members.

Article 38. When the company is liquidated, its property, after paying the debts, is divided among the partners in accordance with their proportional shares.

Article 39. The limited company can also distribute dividends in foreign currency.

Section IV Unlimited Company

Article 40. (1) The name of the unlimited company must contain the name of one of the partners with unlimited liability and the indication "Unlimited Company" ["Firma s Neogranichena Otgovornost"] or the abbreviation "NOF" at the end of the company's name.

(2) Partners with unlimited liability must present to the partners with limited liability the balance, certified according to Article 9 of the Decree, no later than by the end of January. When a shareholders company is involved the balance must be published in accordance with Article 41 of the Decree.

Article 41. Foreigners and citizens' companies cannot participate in unlimited companies.

Article 42. Articles 19, 20, 21, 22, 23, 33, and 35 apply to unlimited companies.

Section V. Citizens' Companies

Article 43. The name of a one-man or collective company may include an indication of its field of activity. Successors to the rights of the company may preserve its name.

Article 44. (1) A one-man citizens' company is registered on the basis of a declaration, which includes:

1. The name and field of activity of the company.
2. The name, domicile, address, occupation, and legal eligibility of the citizen to practice the relevant activity, if this is legally required.

(2) To the declaration are attached documentary proof of eligibility (where required), a certificate showing no previous court convictions, and a declaration that there are no impediments as detailed in Article 59, paragraph 2, items 2, 3, and 4 of the decree.

Article 45. (1) A collective citizens' company is registered on the basis of an agreement of establishment and the documents listed in Article 44, paragraph 2.

(2) The agreement of establishment should include the following:

1. The information according to Article 44, paragraph 1.
2. The percentage shares of the associates.
3. The method of representation of the company.
4. The procedure for making decisions.
5. The rights and obligations of the associates.
6. The method of distributing the income.
7. The procedure and conditions for taking in new associates, leaving the company, and expelling associates from the company.

(3) Unless otherwise provided in the Decree and these regulations, the provisions relating to the associate citizens' company apply to the collective company.

(4) The interrelations between the associates of the collective company are regulated according to Articles 357-364 of the Law on Obligations and Agreements, unless otherwise provided in the agreement of establishment.

Article 46. (1) The relations between citizens' companies and legal persons are regulated according to the Law on Obligations and Agreements and the other normative acts of the general civil legislation, while disputes between the foregoing are resolved by the court, unless it is agreed to go to voluntary arbitration.

(2) The associates in an associate citizens' company receive remuneration for their individual labor that is determined according to the rules established in the agreement of establishment. The remuneration is paid from the profits before tax and after payment of labor remuneration to the workers employed under a labor contract.

Article 47. The taxable individual income according to Article 13, paragraph 2 of the General Income Tax Law of an owner of a one-man company or a participant in a collective firm is the income remaining after deduction of the incidental expenses, including the wages of the persons who are in a labor law relationship with the company.

Article 48 (1) The associate citizens' companies may carry out the following activities:

1. Export of goods and services produced by other companies.
2. Import of goods and services that are not intended for their own economic activity.
3. Commercial representation and acting as a middleman or agent in Bulgaria for foreigners.
4. Making investments abroad and forming associations with foreigners in Bulgaria and abroad.

(2) One-man and collective citizens' companies may carry out import and export through other companies that are legal persons, by commission agreement and observing the requirements of paragraph 1.

(3) The foreign currency receipts of citizens' companies are paid into their account at the bank. The residue of the foreign exchange income, after deduction of the foreign currency sold to the state under a regulation established by the Council of Ministers, may be distributed among the participants in the company in convertible leva, which are credited to the participants' foreign currency accounts at the bank.

(4) The leva equivalent of the foreign currency receipts of the participants in the citizens' companies is included in the taxable income and is taxed according to the general procedure.

Chapter 2. Closing Down and Liquidation

Article 49. In addition to the case of insolvency, the company may be closed down in the cases provided for in the agreement of establishment or the statute, as well as by decision of the persons defined in Article 11, paragraph 3, item 1 of the Decree.

Article 50. (1) The company may also be closed down by a decision by the district court at which it is registered, when it engages in speculatory activity or commits other serious violations of the laws.

(2) In the case defined in paragraph 1, the court closes down the company upon application by the competent state organ or the public prosecutor, after evidence has been collected and the interested parties have been heard. At the start of the proceedings, the court appoints a temporary manager for the company and defines his powers. The decision of the court may be appealed against in accordance with the general procedure.

(3) Instead of closing down the company, the court may dismiss the leader and the members of the company's administrative and control organs from their posts, if this is sufficient in order to prevent further violations.

(4) Speculatory activity in the sense of paragraph 1 is regarded as activity in which the company, with the knowledge of its administrative organ and for the purpose of obtaining illegal profit, resells goods in short supply purchased from the trading network that are intended for supply to the population, or when it accumulates stocks of goods in short supply.

(5) In the cases according to the preceding paragraph, the case materials are forwarded to the public prosecutor, for him to bring a criminal prosecution under Article 233 of the Penal Code.

Article 51. The closed company is declared to be in liquidation by the organs and persons defined in Article 49 or by the court according to Article 50, as appropriate. For the liquidation of the company, Article 69, Article 70, items 1 and 2, and Articles 72, 73, 75, 76, and 77 of the Decree are applied.

Article 52. When, in drawing up the liquidation balance sheet of the closed company, it is established that the debts exceed the assets in the property held by the company, the liquidator is obliged to apply for it to be declared bankrupt in accordance with the procedure of Chapter 3 of this decree. Articles 65, 66, and 67, and Article 74, paragraph 1 of the decree are applied to the bankruptcy proceedings.

Chapter 3. State Regulation of Economic Activity.

Section I. General Provisions

Article 53. The Ministry of Planning and Economy, together with the other ministries, departments, and people's councils drafts the state plan and the state budget. By conducting a dialogue with the interested companies, these bodies specify their participation in fulfilling the plan.

Article 54. (1) The state orders are specified during the process of drafting the state plan and may be imposed upon companies, while observing the demands of Article 84 of the Decree. If necessary, upon the initiative of a company or state organ, a state order may also be contracted for during the course of fulfillment of the plan, with the exception of orders for agricultural products.

(2) A state-economic contract is concluded for the state order between the company and a state organ determined by the Council of Ministers. The contract includes provisions covering the mutual rights and obligations of the parties.

Article 55. When drafting the state plan, the economic conditions, regulations, and regulators are declared to the companies.

Article 56. (1) The companies, with the exception of citizens' companies, submit statistical information as determined by the Council of Ministers to the relevant state organs.

(2) The companies maintain accounts books according to a procedure determined by the minister of planning and economy.

Section II. Price Setting

Article 57. (1) The companies set prices for the goods and services within Bulgaria on the basis of the following:

1. The export prices on international markets that are representative for the company.
2. The prices for analogous goods and services sold on international markets by leading companies, including imported products, in cases where the product is not exported.
3. The prices for similar, locally produced goods and services fixed or registered by the state organs.
4. The supply and demand for the relevant goods.

(2) Where the prices for analogous goods and services are used, one should take into account differences in the technical standard, quality, and marketing conditions.

(3) The selling prices of goods and services are set by adding to the prices described in paragraph 1 the trading margin (if such has been established), value added tax (turnover tax), and excise duties.

(4) The trade discount is included in the price according to paragraph 1.

Article 58. (1) The prices for goods and services of particular importance to the population's living standard, as well as the prices of certain raw and other materials and transport services are fixed or registered by the state organs according to lists approved by the Council of Ministers. In the case of complex ranges of goods, a maximum base price is determined, while the companies differentiate the specific prices according to the products.

(2) The procedure and documentation for fixing and registering the prices according to the preceding paragraph are determined by the minister of planning and economy.

Article 59. The prices for imported goods are set on the basis of the leva equivalent of the costs of purchase and delivery of the goods free to the Bulgarian border, the customs duties, value added tax, excise duties, trade discounts, commissions, and other norms, and in accordance with supply and demand. This procedure does not relate to imported goods whose prices are fixed or registered according to the preceding article.

Article 60. The companies declare to the purchasers the prices of the entire range of goods produced by them in price lists and catalogs, which they forward to the relevant state organs for prices for their information.

Article 61. The agreement of prices for scientific research and technological products is carried out on the basis of the specifications established in the technical-economic assignment.

Article 62. (1) The prices for culinary and prepared food products are set on the basis of the prices of the products they contain, plus the legally established additional margin for each natural unit of production and a sales margin according to the category of the producer facility.

(2) The classification of the public nutrition enterprises is conducted according to criteria and procedures established by the minister of planning and economy.

Article 63. (1) The selling price of one constructed square meter of housing area is agreed upon and may not exceed the standard basic price for construction systems and types of buildings established by the Council of Ministers, except in cases in which the investor (buyer) has specific requirements.

(2) Within the framework of the prices set for prepared building products on the basis of natural indicator units, prices are set and agreed upon for the intermediate products connected with the research, design, and construction of the latter, including the relevant types of work and services.

(3) In agreeing upon specific prices for building products, one should take into account differences in quality, completion deadlines, and construction conditions, as compared to the products for which prices have been set or registered per natural indicator unit.

(4) Prices for project design, building, installation, and other works and services relating to building repairs and reconstruction may be agreed upon at levels up to 50 percent higher than those according to paragraph 2, not including the value of the materials.

Article 64. (1) The state organs for prices exercise systematic supervision and control of the correct setting and application of prices.

(2) The consumers councils and other public organizations implement public control over prices in accordance with their rights.

Section III. Interrelations With the Budget

Article 65. The financial interrelations with the budget are implemented by the company.

Article 66. The companies pay value added tax at rates and according to a procedure defined by the law.

Article 67. (1) The companies pay excise duties on goods defined by the Council of Ministers.

(2) The excise duties are paid into the Republic's budget by the companies or their divisions within the deadlines determined for turnover tax.

Article 68. (1) Customs duties are paid into the Republic's budget by the importing company within 30 days of the goods crossing the border.

(2) The customs duties are included in the prices of the imported goods. In the case of imported machines and equipment, the customs duties are charged to the capital investment funds.

Article 69. (1) Importation under Article 118 of the decree is secured by a guarantee to the amount of the customs duty payable.

(2) In cases where imported raw and other materials, equipment, or a part thereof are not embodied in manufactured products that are to be exported within 30 days of the date of import, the guarantee sum or an appropriate portion thereof is contributed to the income of the Republic's budget.

Article 70. (1) Ground rent tax is paid by all companies that manage land.

(2) The following are exempt from ground rent tax: newly cultivated and recultivated lands; lands rendered unsuitable for use as a result of natural disasters; lands used for long-lasting plantations until the plants or trees produce fruit; lands used for experimental or educational purposes; public parks and gardens, lands in mountain and semimountain regions, and lands handed over for individual use.

(3) The ground rent tax is paid into the budget of the relevant municipal people's councils within the following periods;

1. For the half year: 30 percent of the amount is paid by 15 July.
2. For the 9-month period: 60 percent of the amount is paid by 15 October.
3. For the year: 100 percent of the amount is paid by 27 December.

Article 71. The taxable profit is determined by adjusting the company's balance sheet profit as follows:

1. The profit according to the balance sheet is reduced by:
a) Repayments and interest payments on investment credits for production and other types of activities determined by the Council of Ministers.
b) The profit obtained from participation in associated companies, including profit from abroad.
c) The incentive funds according to Article 83.

2. The profit according to the balance sheet is increased by:

a) Expenses not provided for in the relevant normative acts covering the commercial prime cost.

b) Debts owed from other companies and citizens that have been written off.

c) Losses from production of defective products in excess of the technological norms and from the damage of products and materials, by which the profit has been reduced.

d) The difference between the amounts of penalties and compensation payable under contracts.

Article 72. (1) The profits tax is paid into the budget by the company or its divisions on a monthly basis, by the 20th of the following month; the December payment is in the same amount as the one paid for November by the 27th day of the month, while the annual tax settlement is made within 5 days of the close of the year's accounts.

(2) Municipal and cooperative companies and associate citizens' companies pay their profits tax into the budget of the municipal people's council of the area where their central office is located.

Article 73. With the permission of the minister of planning and economy, losses from economic activities according to the company's annual balance sheet may be deducted from the profits before tax in equal amounts during the following 5 years.

Article 74. (1) Companies and divisions of companies that maintain independent balance sheets pay their contributions into the budgets of the municipal people's councils in accordance with a regulation for balance-sheet profits determined by the Council of Ministers. The amounts are paid by the 15th of the following month; the December payment is in the same amount as the one paid for November by the 27th day of the month, while the annual tax settlement is made within 5 days of the close of the year's accounts.

(2) In cases where companies have divisions that do not maintain independent balance sheets and are situated on the territory of other municipal people's councils, the contributions according to the preceding paragraph are determined proportionally to the number of staff employed in each division. The amounts are paid by the company into the budgets of the relevant municipal people's councils.

Article 75. The amount of the tax on the increase in the wages fund is determined on the basis of the annual amount of the wages fund and is contributed to the budget income within 10 days of the close of the year's accounts.

Article 76. Premiums and subsidies are not granted from the state budget for the production of obsolete products or products for which there is no demand, nor in cases where the losses and low profitability result from subjective causes.

Article 77. The Ministry of Planning and Economy is to set up the following:

1. A "state investment fund," using means provided from the state budget, receipts under Article 26, and other sources determined by the Council of Ministers.
2. A "Structural and Technological Policy" Fund, using means from the state budget and other sources, for financing national scientific and technical projects for providing special incentives for companies to carry out structural and technological renewal, for the accelerated introduction of scientific and technical progress, and raising the efficiency of production and trading activities.

Section IV. Profit Formation and Distribution

Article 78. (1) The company forms and distributes the profit on the basis of the monetary receipts from the sale of products and services.

(2) The monetary receipts are formed from:

1. Sales of goods and services.
2. Construction projects and subprojects completed and handed over, including finished building products carried out by the companies' own resources, and advances of up to 70 percent of the amount of the building and installation works completed and accepted, unless the execution of the project has been awarded by a competition by tender.
3. Income from the transportation of goods and passengers and from other transportation activities.
4. The leva equivalent of the foreign exchange receipts from exports, after deduction of the direct exporting expenses and commissions payable.
5. Trading discounts, additions, extra charges, and commission payments.
6. Income from scientific research, technological, and project design study activities, and software products, including those from the completed and accepted stages of such activities.
7. Money obtained from facilities provided for leasing or rental.
8. Bonuses on prices and subsidies for retail prices.
9. The value of major repairs carried out with the companies' own resources.

(3) The portion of the amount obtained for a rented or leased facility that corresponds to the depreciation deductions for the said facility is credited to the "Development and Technological Renewal" Fund, while the remainder forms part of the company's money receipts.

Article 79. (1) The expenses included in the commercial prime cost of the marketed goods and services are determined according to a procedure established by the minister of planning and economy.

(2) The material costs for maintaining the company's central office are included in the commercial prime cost.

Article 80. The profit according to the balance sheet is formed by subtracting the amounts of the value added tax, excise duties, ground rent tax, and commercial prime cost from the money received from sales of products and services, and by adding or subtracting the nonsales profits or losses as appropriate, in accordance with the legal acts in force.

Article 81. (1) The company distributes the profits according to the balance sheet in accordance with the scheme attached to these regulations.

(2) The following amounts are paid out from the balance-sheet profits:

1. Repayments and interest payments on investment credits according to Article 82, on credits for circulating capital, and on company credits.
2. Profits tax and contributions to the municipal people's councils.
3. Insurance payments.

(3) Means are provided from the profits remaining after the payments according to the preceding article for the following:

1. Development (the "Development and Technological Renewal" Fund), and for other funds.
2. The tax on the increase in the wages fund.
3. The salaries of the leader and the company's central office staff, and the annual remuneration of the members of the administrative council.
4. Incentives for the labor collective in relation to the annual results obtained, and special awards.
5. Incentives according to the provisions of Article 83.
6. Dividends.

Article 82. (1) The types of production and other activities for which repayments and interest payments relating to investment credits may be paid from the profits before tax are determined by the Council of Ministers at the time of drafting the state plan.

(2) In cases where the profits are insufficient to cover the legally prescribed payments and deductions, the repayments and interest on investment credits may be made wholly or partially with means from the "Development and Technological Renewal" Fund.

(3) In cases where the technical and economic performance indexes specified in the project for an installation are not achieved, the minister of planning and economy may revoke the company's right to pay interest on and make repayments of investment credits from its profits before tax.

Article 83. (1) The company may allocate to the members of its special-purpose and creative collectives and individual workers a certain percentage of the volume of the sales or profits realized as a result of the assimilation of scientific research and technological projects developed by the former.

(2) The amounts according to the preceding paragraph are paid at times and in amounts determined by the agreement between the parties, in accordance with the scale approved by the minister of planning and economy. (DURZHAVEN VESTNIK, No. 29, 1988)

Article 84. (1) The company sets up a "Development and Technological Renewal" Fund, into which it is obliged to pay funds from its profits according to differentiated minimal norms specified by the Council of Ministers.

(2) The following amounts are also paid into the "Development and Technological Renewal" Fund:

1. Depreciation payments for the basic funds.
2. Receipts from the sale and liquidation of basic funds.
3. Insurance compensation payments.
4. Other receipts connected with the nature of the fund.

(3) The means of the "Development and Technological Renewal" Fund:

1. May not be used to pay wages for activities that are not financed by this fund;
2. May be used, by agreement with the relevant municipal people's council, to finance production, technical, and social infrastructures connected with the company's activity.

Article 85. In cases where, according to the accounts report, the company's profits are insufficient to supply means for development according to the approved minimum norm or to pay the tax on the increase in the wages fund, the wages fund is reduced by the amount of the difference. In this case, means are not paid into the other money funds and dividends.

Article 86. (1) The company's administrative council determines the other monetary funds and the manner of their formation and use.

(2) The companies can deduct from their profit amounts for everyday life and cultural enterprises according to an order and norms determined by the Council of Ministers.

Article 87. (1) The company's administrative council determines the degree of their production and financial independence of its subunits' economic activity, including the drawing up of the balance sheet, forming the monetary funds, the bank accounts, centralization of financial resources and rendering assistance, covering losses, and stimulating separate activities and production. The subunits can pay taxes on behalf of and at the account of the company.

(2) The organizational regulations and the company's internal labor wage rules, the labor wage funds and other stimuli are placed in direct dependence on the results of the economic activity in the subunit. The transfer of earned labor wage funds from one subunit to another is not allowed.

Article 88. (1) The companies must use their own foreign currency funds to finance the purchase of raw materials, other materials, basic components' supplies, and other goods; to import new technology, know-how, and capital equipment; to import barter, connected, exchange, and other specific foreign trade operations; to pay foreign currency credits and leasing installments; to finance transportation expenditures, noncommodity foreign currency expenditures, business trips abroad, maintenance of personnel abroad, propaganda, advertising, services, and so forth.

(2) Foreign currency expenditures that are not connected with the company's economic activity are not allowed.

Article 89. (1) On the basis of a contract the companies can transfer a part of their foreign currency funds to other companies, directly or through the establishment of joint foreign currency funds, in order to compensate for foreign currency used to replace imports with local supplies, to introduce new technologies, and to reach other goals related to their economic activity.

(2) Under contracted conditions of payment the companies can sell to other legal persons freely convertible foreign currency, convertible rubles, clearing bank assets, and assets under barter.

Article 90. (1) The companies may organize the sale of goods produced by them to Bulgarian and foreign citizens in the country for foreign currency, while observing the established order, and selling the state 50 percent of the foreign currency they have acquired through such sales.

(2) Imported goods are sold for foreign currency to Bulgarian and foreign citizens only by Bulgarian companies that have received this right from the Council of Ministers.

Chapter 4. Wages

Article 91. (1) On the basis of Article 92 of the decree the following are included in the company wage funds: the individual wages of the subunits' staff included in the prime cost of production; the funds for the wages of the company leader and the other central leadership staff; the annual remuneration of the members of the company's administrative council; the wages paid from the monetary funds; the funds used for awards for final annual results and special awards; and the funds paid from the wage reserve.

(2) The remunerations for the staff working in associations that are not judicial entities and in which the company participates, and to citizens for services rendered by them, are also taken from the funds listed in the preceding paragraph.

Article 92. (1) The wage funds, included in the prime cost, are determined in accordance with the piece-work and normative plan assignments, the norms and standards for labor expenditures, worked out on the basis of the indexes incorporated in the technological and technical projects, and the additional payments under normative acts.

(2) The funds for the wages of the leader and the staff of the company's central leadership are determined as the sum of their individual wages, determined in accordance with the internal wage rules.

(3) Every member of the labor collective may receive remunerations for the company's annual results and special awards according to an order determined by the internal wage rules.

Article 93. Deductions from the profits according to Article 81, paragraph 3, item 4, may be used for:

1. Remunerations for the company's annual results;

2. Special awards;

3. Wage reserves as determined by the company's administrative council;

Article 94. (1) The increase of wage funds, established by the order explained in Article 91, in comparison with the preceding year, is subject to taxation according to a scale set by the Council of Ministers. For agricultural companies the preceding year's funds are established as the average annual value of the preceding 3 years.

(2) The tax under the preceding paragraph is paid from the profit on the basis of the order established by Article 75.

(3) For tax purposes, the wage funds for the piecework groups and the individual pieceworkers in agriculture are not taken into consideration in establishing the wage funds for the preceding and current years.

Article 95. When it is impossible to establish the company's wage funds for the preceding year, the fund is determined by multiplying the actual number of staff by the average wages for the relevant activity, according to the statistical report for the country for the preceding year.

Article 96. The wage funds for the preceding year may be recalculated on the decision of the leader only in cases when:

1. There are changes in the work shifts;
2. Subunits are created, expanded, or closed down;
3. Subunits are dropped from or added to the company;
4. Significant changes have taken place in the economic conditions, as a result of applying leasing and piecework.

Article 97. When determining the wage funds, the companies must observe the requirement that the percentage of increase of the social productivity of labor must exceed by at least three points the percentage of the increase in the wage funds in comparison with the preceding year. For agricultural companies the increase is determined on the basis of the annual pace of increase of the social productivity of labor during the preceding 3 years.

Article 98. In cases of the illegal determination of wages, an economic penalty five times larger than the illegally increased funds must be paid to the state budget in accordance with Article 83 of the Law on Administrative Violations and Penalties. The penalty must be deducted from the wage fund of the company's central leadership. The violations are established by the tax authorities, while the penalty decrees are issued by the minister of planning and economy, or persons authorized by him.

Article 99. (1) Price reductions and compensation for poor quality, waste above the technological norms, and other penalties connected with production quality must be deducted from the wage funds.

(2) When the personal blame lies with the company, the penalties included in the preceding paragraph are deducted from the individual wages in accordance with the conditions and order envisaged by the labor laws.

Article 100. (1) The basic monthly wages determined on the basis of a labor contract must be in accord with the Uniform Qualifications Scale of the initial basic monthly wages of those engaged in all types of production and activity. The extent of the wages is determined according to the established order.

(2) The companies independently determine the forms and systems of remunerating labor. The individual wages of every worker, specialist, and leader are determined in accordance with the final results that have been achieved, and on the basis of strictly determined indexes and criteria that correspond to the requirements of the technological projects, production processes, and control technology.

(3) The individual wages of the leader and his deputies are determined by the company's administrative council as the ratio between the annual basic wages and the level of one or more of the following indexes, determined annually or monthly:

a) The sum total of the profit, as reflected in the balance sheet;
b) The profitability—the profit on 100 leva of production funds;
c) The increase in profits according to the balance sheet (losses decrease);
d) Production expressed in natural units;
e) Foreign currency receipts.

(4) The indexes and order of the preceding paragraphs are included in the internal wage rules.

Article 101. (1) The basic salary, determined by the labor contract, and the individual wages are not guaranteed. Within the framework of the wage funds the maximum extent of the remuneration of the labor of workers, specialists, and leading cadres is not limited.

(2) If there is a shortage of monetary funds for wages and for a conscientious implementation of labor obligations, individual wages may be decreased to the extent of the legally determined minimum wage for the country. The initial amount of the allowance for the relevant labor category may be added to the minimum wage. The remaining funds are payable during the following periods.

(3) Loans taken from the company's monetary funds, or bank credits, if appropriate conditions for this exist, may be used to pay the minimum wages, in accordance with the preceding paragraph.

Article 102. (1) The legally established additional remunerations and allowances for labor conditions are paid from the wage funds.

(2) The companies cannot introduce new additional remunerations and allowances for labor conditions, with the exception of those established by a legal act.

Article 103 (1) The minister of planning and economy may award collective and individual specialists with means from the "Structural and Technological Policy" fund for the implementation of scientific-research and technological tasks previously set by him. The size of the awards is determined at the time of setting the tasks and it cannot exceed the amount of 100,000 leva for a collective and 5,000 for an individual specialist.

(2) The company's administrative council can pay awards for implementing tasks that have been set, up to 25,000 leva for a collective and up to 2,000 leva for an individual specialist. The awards are ensured by the wage fund.

Article 104. (1) Every company adopts its internal wage rules in accordance with the decree, the legal acts on wages, and the regulations on implementing the economic activity decree. The rules may include foreign currency incentives in line with an order established by the Council of Ministers.

(2) The agricultural companies' rules may envisage payments in kind after implementing the obligations established by the contracts.

Article 105. The provisions of this chapter, except of articles 91, 102, and 103, do not apply to the citizens' companies.

Chapter 5. Bonds and Workers Shares

Section I Bonds

Article 106. (1) Bonds are securities issued by a company or a people's council, whereby an obligation is undertaken to pay the entitled persons the appropriate interest and nominal value within fixed terms.

(2) Bonds may be issued with the permission of the minister of planning and economy.

Article 107. (1) Bonds may be issued only for investment purposes.

(2) The decision to issue bonds is adopted by the company's collective organ, envisaged by the decree, or alternatively by the municipal or oblast people's councils.

(3) A program on the basis of Paragraph 2 is adopted for every project financed from means generated by bonds. The program must contain:

1. A scientific-technical argumentation, a schedule for implementing the projects, the source of the means to pay the obligations related to the bonds, and a payment-plan;

2. The total size of the issue, its class structure, the number of bonds in each class, the amount of the interest, and the terms of paying for the bonds.

Article 108. (1) The obligations may be bearer-owned or bonds by name.

(2) The bonds may be purchased by Bulgarian physical or legal persons and may be transferred between them. The transfer of bonds by name is effective after being registered in a special book in the bank and on the bond.

(3) Bonds may not be exported.

Article 109. (1) The bond contains:

1. The name "Bond;"
2. The nominal value;
3. The name of the issuer;
4. The total amount of the loan and the aims for which the funds will be used;
5. The grounds for issuing the bonds;
6. In accordance with the type of the bond, the notification "by bearer" or the three names of the holder of the bond, or, respectively, the name of the company, if the bond is owned by name;
7. The term of the loan;
8. The percentage of interest;
9. The series and number;
10. The repayment plan and the terms of paying the interest;
11. The payer;
12. The guarantors, if any;
13. The place and date of issue;
14. The signatures of the issuer and the guarantor.

(2) The coupons for the payment of the interest are a component part of the bonds. The coupons contain:

1. A description of the loan;
2. The series and number of the bond;
3. The amount of interest;
4. The date of payment;
5. A serial number.

Article 110. (1) The bonds are issued for a term of payment that is not longer than 10 years after the date of completing the sale. The term of selling the bonds is determined by the decision on their issue, which may not be longer than 6 months after beginning the selling.

(2) When the loan that has been announced cannot be covered within the term of selling established by the preceding paragraph, the loan must be decreased to the amount of bonds that have actually been sold, unless the issuer cancels his decision to issue bonds. The cancellation must be announced within a week from the date of concluding the selling.

(3) The cancellation of the loan according to paragraph 2 must be announced in at least one local and one central paper, and the decision must be announced in writing to the owners of the bonds by name. In such cases, the nominal value of the bonds that have been issued, and the announced 1-year's interest must be returned.

(4) The companies and people's councils may issue bonds for an amount that may not exceed half their statutory capital or the annual budget revenue, as appropriate. A bond issue of greater value is permitted if there is a guarantee from a bank or from another company.

Article 111. (1) After obtaining permission according to Article 106, paragraph 2, the issuer of the bonds signs a contract with the bank of his choice to organize the selling, pay the interest, and pay back the bonds. A commission for the banking services is contracted.

(2) The bank opens a special account for the income from the bonds that have been sold. After concluding the selling, the issuer of the bonds may use the funds in the account, while the bank controls whether his use is in accordance with the original goals.

Article 112. The maximum interest percentage of the bonds may not exceed the interest paid by the State Savings Bank for savings deposits by more than 5 percentage points.

Article 113. (1) The payment of the bonds and their interest is done at the first request after the date of payment.

(2) The payment of the bonds can take place earlier by annual or 6-monthly draws [tirazhi], together with the interest for the entire term of the loan.

(3) In the cases specified in paragraph 2, and if it has been announced in the bond itself, the nominal value and the interest due must be paid.

(4) The amount of the claim in respect to the coupons and the bonds on the due date, is repaid within a 3-year period when issued by a state or municipal company, and within 5 years in all other cases.

Article 114. The payment of bonds and their interest may be guaranteed by companies, banks, or the state, when the bonds have been issued by a people's council, and by other companies or banks, when the bonds have been issued by a company.

Article 115. (1) In cases where the interest is not paid on the due date, the nominal value of the bond, together with the interest for the entire term of the loan, becomes claimable.

(2) The amount of the claim to the interest payable and the bond's nominal value is liable to be compulsorily collected from the issuer or guarantor, in accordance with Article 237D of the Code of Civil Procedure.

Article 116. Citizens are relieved from taxes and dues on the paid-up nominal value of the bonds, including bonds obtained by inheritance.

Article 117. In the event of reorganization of a company, people's council, or guarantor, as appropriate, the bonds are paid out by the latter's legal successors. In the event of division or separation, the legal successors are responsible in common. When the company is liquidated, the bonds are paid out immediately after meeting the claims of other creditors, and in case of bankruptcy, according to the procedure of Chapter 3 of the decree.

Article 118. The nominal value of the bonds and interest thereon, as well as the costs of their issue, are paid from the development funds or, if these funds are insufficient, from all other sources.

Section II. Workers Shares

Article 119. (1) A workers share is a security issued to a named person by a company; the members of the workers collective participate with their own means to the value of the said shares in financing the company's economic and social development

(2) The workers shares and the names of their holders are registered in the book of worker-shareholders.

Article 120. The workers share document contains the following:

1. The name of the issuer;
2. The description "workers share" and the nominal value;
3. The series and number of the share;
4. The three names of the share owner;
5. Place and date of issue;
6. The signatures of the leader of the company issuing the shares and the chairman of the control council.

Article 121. (1) The nominal value of all the workers shares, together with the bonds sold, may not exceed 50 percent of the statutory capital of the issuing company.

(2) The decision on issuing the workers shares determines the following:

1. The total number of workers shares issued for purchase by the labor collective;
2. The number of shares that an individual member of the labor collective may own;
3. The method of calculating the dividend, in relation to the size of the profits, and the maximum amount of the dividend;
4. The minimum dividend that is guaranteed from the profits, if they exist.

(3) The decision according to paragraph 2 is recorded in the company's registration and may be altered by agreement between the company and the holders of at least three-quarters of the workers shares.

Article 122. (1) Dividends are paid from the company profits within 1 month of the adoption of the balance sheet.

(2) If there are no profits, no dividends are paid.

Article 123. Citizens are relieved from taxes and fees on the paid-up nominal value of the workers shares, including shares obtained by inheritance.

Article 124. (1) The money obtained from the sale of workers shares is kept in a separate account.

(2) The nominal value of the workers shares is paid out from the "Development and Technological Renewal" fund no later than within 3 months of submission of the application. After the expiry of this period, the amount of the claim may be collected in accordance with Article 237D of the Code of Civil Procedure.

Article 125. The owners of workers shares may only transfer them to other members of the same labor collective of the company. The transfer is effective after it is recorded in the book of worker-shareholders and the name of the new owner is recorded on the workers share.

Article 126. The owners of workers shares form a meeting of worker-shareholders. The leader of the company reports to the meeting at least once annually on the use to which the funds from the shares have been put, the amount of the dividends, and the company's financial and economic position.

Article 127. In the event of closure of the company through reorganization, the obligations in respect of the workers shares are taken over by the legal successors under the labor law relationships, while in the event of the company's liquidation or bankruptcy, the workers shares are paid back in accordance with the procedure of Chapter 3 of the decree.

Chapter 6. The Lease Article 128. (1) Through the leasing contract, the companies make available to the lessee facilities for management for a set period in exchange for a fixed payment.

(2) The contract may be signed with an individual citizen, the adult members of a family, a collective of citizens, a cooperative, or a company.

Article 129. The following may be leased: soil, lasting plants, animals, separate agricultural objects (cattle-breeding farms, dairies, and so forth); hotels, enterprises for trade, public nutrition, and services; construction and transportation means, machines, and equipment, goods-producing enterprises, and so forth.

Article 130. The contract must be written and registered in the municipal people's council of where the specific object is located. When the contract deals with the management of real estate, it must be registered with the notary's office of the location of the real estate.

Article 131. (1) The leasing contract, in accordance with the character of the activity it specifies, must contain:

1. A description of the object and the state in which it is leased;
2. The term, which may not be shorter than 3 years and longer than 50 years;
3. The manner of using the object, including the obligatory type and quantity of goods or services that will be produced or offered;
4. The leasing payment—amount, kind, and terms of payment;
5. The obligation of the lessor in everything related to the supply of machines, equipment, raw materials, other materials, fuels, and so forth; purchasing the production; and providing transportation, repair, trade, legal, agrotechnical, information, and other services.
6. The obligations of the sides in everything related to basic and current repairs;
7. The obligations of the sides in everything related to improvement, restructuring, technological renewal, and so forth;
8. The obligations of the sides in everything related to insurance;

(2) The lessee cannot transfer the leased object to other persons.

Article 132. (1) The objects that can be leased must be determined by the company's administrative council.

(2) The placement of the objects for leasing is done through a public auction organized by the lessor at the location of the object.

(3) The initial size of the leasing payment with which the auction begins can be no less than the amortization deductions for the object and the average profit during the last 2 years.

Article 133. (1) When the leasing contract is signed with a collective, relations between its members are arranged by a written contract that determines the manner of distributing the income between them. The members of the collective are collectively responsible to the lessor. The collective elects one of its members as leader and determines his representative rights.

(2) Relations between the members of the collective are arranged on the basis of Articles 357-364 of the Law on Obligations and Contracts, unless the contract envisages a different arrangement.

Article 134. (1) The lessee may use a credit from the State Savings Bank, another bank, or from the lessor himself for his turnover funds. The credit may be in leva or foreign currency, according to the order established by the companies. Under the same conditions, the lessee may use a bank credit for capital investments as well as a trade credit.

(2) After paying the leasing payment, the payment of the credits and their interest, insurance, and other obligatory payments, the lessee can freely use the rest of the income.

This revenue is taxed according to the order established by Article 13, paragraph 2 of the Law on General Income Tax, when the lessee is a physical person, or a one-man or collective citizens' company.

Article 135. The leasing contract is terminated:

1. At the term, unless the contract is extended;
2. Upon the death, arrest, or work disability of the lessee which prevents the implementation of the contract, unless the heirs or members of the family, or other members of the collective announce within 2 months that they wish to implement the contract;
3. At the request of the lessor, if the object, or parts of it without which its use is seriously impaired, are destroyed or seriously damaged;
4. Upon a termination by liquidation or because of the bankruptcy of the leasing company;
5. If other reasons emerge which preclude the use of the object for the original purpose.

Article 136. The conditions and manner of changing the amount of the payments is determined by the contract, while disputes are settled by the court.

Article 137. The lessor can cancel the contract if the lessee:

1. Does not use the object for the agreed purpose or specialization, and does not amend the violation after the setting of an appropriate term of time;
2. Does not make two consecutive payments on time;
3. Does not carefully maintain the property he has leased.

Article 138. (1) The lessee can cancel the contract if the lessor does not fulfill his obligations.

(2) The lessee can also cancel the contract by a written notice to the lessor, sent at least 6 months before the beginning of the next year, if a longer term has not been agreed upon.

Chapter 7. Mutual Relations With Banks

Article 139. (1) The companies pursue their mutual relations with the banks according to a code adopted by the Council of Ministers and the contracts that have been signed.

(2) The banks facilitate the implementation of the state plan and the companies' plans by credits, handling accounts and the percentage of interest, business participation, and other specific economic means.

Article 140. The interest on the credits and deposits is agreed upon by the companies and banks in accordance with Article 93, paragraph 3 of the decree.

Article 141. The banks must compensate the companies for damage caused by unjustified refusal to conduct banking operations or delays in such operations, as well as for conducting banking operations without the consent of the companies and for erroneous entries in the companies' books.

Article 142. (1) The companies may establish mutual insurance and savings-credit companies.

(2) The citizens may establish mutual insurance and cooperative savings-credit companies to service and assist their members.

Article 143. (1) The exporting companies, with the assistance of the banks that serve them, must ensure that foreign currency, and the financial and credit conditions for their foreign economic activities, correspond to the conditions in the international markets.

(2) The banks credit the companies-producers for their exports in leva. The loan is paid back in the leva equivalent of the foreign currency that has been received.

Chapter 8. Voluntary Economic Arbitration

Article 144. Voluntary economic arbitration is established at the Union of Industry and Trade. The union's collective executive organ adopts a code on the activity of the arbitration organs and determines the number of arbiters.

Article 145. (1) The voluntary economic arbitration consists of a collegium of arbiters, whose members are appointed for a 5-year term by the organ mentioned in the preceding paragraph.

(2) The arbitration collegium elects its chairman and secretary. It can propose to the union leadership a change in membership.

(3) Only the secretary may be appointed to a payroll post, and his wage must be paid from the taxes that have been collected.

Article 146. (1) Bulgarian citizens, graduates of law schools, with at least 10-year experience as judges, bailiffs, notaries, arbiters in the state arbitration, judicial advisers, jurists in judicial departments, lawyers, prosecutors, or scientific law studies researchers, who as adults have not been sentenced for any premeditated crime of a general character, may become members of the arbitration collegium.

(2) Prosecutors, investigators, notaries, bailiffs, and officials of the Ministry of Internal Affairs and the Ministry of National Defense cannot be members of the arbitration collegium.

Article 147. (1) On the basis of a written agreement, companies may entrust the voluntary arbitration with resolving property disputes between them. Disputes over real estate property rights cannot be resolved in this manner.

(2) Each of the sides selects an arbiter from the members of the arbitrary collegium according to Article 146, paragraph 1. On the basis of a written agreement, the sides may agree on one person as arbiter.

(3) An arbitration agreement may be concluded for resolving existing and future disputes.

(4) The invalidation of the contract which serves as the subject of the dispute does not affect the validity of the arbitration agreement.

(5) Voluntary arbitration may also decide on the basis of a counterclaim or a protest originating from the same legal matter.

Article 148. Where a dispute which is covered by a voluntary arbitration agreement is brought before the appropriate competent judicial organ, the court case may be discontinued if the defendant so requests at the first session of the case.

Article 149. The agreement on voluntary economic arbitration may be canceled according to the order established by the Code of Civil Procedure.

Article 150. The taxes and payments for the arbitration outcome and the remuneration of the arbiters is determined by Article 144 of the regulations.

Article 151. After resolving the dispute, the files of the case are kept by the archives of the voluntary economic arbitration.

Chapter 9. Economic Activity of Foreign and Mixed Companies in the Country

Article 152. (1) According to the essence of the decree:

1. The following are foreigners:
a) judicial persons whose residence is abroad;
b) foreign citizens who, immediately prior to the beginning of their economic activity in the country, have resided abroad;
2. The Economic activity of foreigners is every activity conducted according to the decree with the intention of realizing profits in the country;
3. Foreign investment is every investment by a foreigner in a subsidiary, participation in an association company, or property rights related to economic activity in the country.

(2) The instructions of the decree and these regulations in relation to foreigners also apply to Bulgarian citizens who permanently reside abroad.

Article 153. (1) Companies which carry out trade representation and mediation, or act as agents for foreigners cannot represent competing companies without their prior consent.

(2) The companies mentioned in the preceding paragraph must observe the rules of protecting trade secrets.

(3) Companies that represent foreigners or mediate on their behalf may not conclude agreements to sell or render services through objects in respect of which they have been authorized to act as representatives or mediators.

Article 154. Seizing, ahead of time, the right to construct or use an object, when a foreigner has not fulfilled the conditions envisaged by his permit based on Article 123 of the decree, does not represent expropriation, confiscation, or an administrative seizure.

Article 155. The claim for an amount of compensation according to Article 106, paragraph 3 of the decree may be submitted by the foreigner within the general term of the prescription. The liquidation prescription begins on the day of receiving the notice on the expropriation of the investment.

Article 156. (1) Independent economic activity is subject to a tax on profit on the basis of Article 108 of the decree at the location of conducting the economic activity.

(2) Construction, assembly, and supervisory activity, as well as post-guarantee servicing that continue for more than 6 months are considered independent economic activities, according to the essence of the preceding paragraph.

(3) On the basis of Article 102 of the decree, the profit from independent economic activity is subject to 40 percent tax. The profit that a representation would have realized acting under normal conditions, after deducting the relevant expenditures, is considered as the taxable amount.

Article 157. The tax registration of foreigners is conducted by the appropriate municipal tax organ, according to the following order:
1. When independent economic activity is involved, for the conduct of which no permit is needed, a declaration must be submitted on the basis of Article 100, paragraph 2 of the decree;
2. When independent economic activity that requires a permit is involved, within 14 days of issuing the permit the competent state organ officially sends a copy of the declaration that has been submitted and the permit that has been issued;
3. When a subsidiary is established—on the basis of a declaration submitted by the leader of the subsidiary within 14 days of the date of publishing the decision on the registration;

4. In acquiring a stake [dyalove] in limited and shareholders' companies—within 14 days after the publication of the decision on the registration, or after acquiring the stake.

Article 158. The declaration mentioned in the preceding article must point out the grounds for conducting the economic activity, the nature of the activity, the location of the leadership's head office, the names of the officials responsible for the activity, the bank account number, and the address of the foreigner abroad.

Article 159. When the foreigner conducts independent economic activity in the country on the basis of a contract with a Bulgarian legal person, the Bulgarian legal person, within 14 days of concluding the contract or issuing the permit on the basis of Article 100, paragraph 1 of the decree, must send a certified copy to the appropriate tax organ.

Article 160. (1) The taxable profit, according to Article 107 of the decree, is determined by deducting the amount of the investments in the country from the balance sheet profit.

(2) The tax on the profit is payable monthly up to the 20th day of the next month, and for December up to 27 December, the amount being identical to the tax for November.

Article 161. (1) The difference between the finally determined tax and the amount regularly paid during the year is established by the appropriate tax organ within the term specified in Article 116, paragraph 2 of the decree.

(2) If the excessive amount that has been paid does not exceed the amount of the last three monthly payments of the past year, it is deducted from the future monthly payments.

(3) If the excessive amount that has been paid exceeds the amount paid during the last three monthly payments of the past year, the relevant amount is reimbursed at the request of the appropriate tax official.

(4) The excessive amount paid up as tax is also reimbursed when the economic activity is discontinued.

(5) If the amount of the tax determined by the relevant tax document exceeds the amount regularly paid up during the year, the difference is payable by the person responsible for paying the tax within 10 days of the date on which the tax document comes into effect.

Article 162. The tax document comes into effect:

1. At the end of the term specified in Article 116, paragraph 3 of the decree, if it has not been contested;
2. When the person responsible for paying the tax has contested the tax document, on the day of publishing the decision of the District Court.

Article 163. The tax according to Articles 109 and 110 of the decree is paid by the company which pays out the profit or the dividends simultaneously with the paying out of the profit and the dividends.

Article 164. (1) The tax on the interest, on the author's and license remunerations, on remunerations for technical services, and on the rent are payable by the person responsible for paying the tax within 10 days of realizing the profit. In cases of transferring amounts abroad, the bank officially controls the payment of the tax.

(2) If the bank does not have information on the tax paid by the foreigner, he must prove payment of the tax with an official document issued by the tax organ of the municipal people's council.

Article 165. The tax document may be contested in the District Court within 14 days of receiving the official notice of the organ that has issued it. The court's decision is final.

Article 166. In a case where the activity of an association with foreign participation is discontinued, the liquidating agent must invite the Bulgarian partner to exercise his right according to Article 124 of the decree, and if he declines to do so, the agent must inform the competent state organ. In a case where the activity of an association or a subsidiary in which there was no Bulgarian partner is discontinued, the liquidating agent must inform the competent state organ.

Article 167. Commissions and other remunerations for representation, mediation, and agency services contracted by a Bulgarian company and a foreigner are agreed upon in the currency in which the deals are conducted.

Additional Instructions

Clause 1. The inability of the responsible person to pay the full amount of the fine on the basis of Clause 2, paragraph 2 of the decree, is determined by a bailiff on the basis of the inventory and the assessment of the property of the responsible person in the country, according to the procedure of the Code on Civil Procedure. In such a case, immediately after the inventory comes into effect, the bailiff officially orders a compulsory obtention of the full amount of the payment from the property of the company that owes the tax.

Transitional and Concluding Regulations [Subtitle]

Clause 2. (1) Until the introduction of the value added tax:

1. Companies pay to the state budget a turnover tax on goods sold in the domestic market and on services that have been provided in the form of a percentage of the retail price.

2. The wholesale price of the goods and services for the population is set by deducting the turnover tax and trade discounts from the retail price.

(2) The turnover tax is payable by the company and its subunits within the following terms:

1. Within 3 days—by payers whose annual tax exceeds 5 million leva;
2. Within 10 days—by payers whose annual tax amounts to 1 to 5 million leva;
3. Monthly—by payers whose annual tax amounts to less than 1 million leva.

Clause 3. These regulations are issued on the basis of Clause 14 of the Transitional and Concluding Regulations of the Decree on Economic Activity.

The regulations are adopted by Decree No 2 of the Council of Ministers of 15 February 1989.

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Appendix to Article 81, Paragraph 1

Scheme for Distributing the Profit

1. Balance sheet profit.
2. Installments and interest for investment credits, according to Article 82.
3. Tax on the profit.
4. Payments to the municipal people's councils.
5. Subsidies to stimulate production.
6. Interest for credits for turnover funds and company credits.
7. Insurance.
8. Other deductions according to legal acts.
9. "Development and Technological Renewal" Fund.
10. Other monetary funds.
11. Tax on increase of average wages.
12. Funds for wages for the leader and the company's central leadership staff, and remuneration for the members of the administrative council.
13. Funds to stimulate the labor collective for annual results that have been reached.
14. Funds as an incentive, according to Article 83.
15. Dividends.

Decree on Implementing Decree

AU2202122689 Sofia RABOTNICHESKO DELO in Bulgarian 21 Feb 89 p 6

[Text] The following is published in issue no. 15 of DURZHAVEN VESTNIK:

Council of Ministers Decree No. 2 of 15 February 1989 concerning applying Decree No. 56 on Economic Activity. This decree adopts the regulations for applying the decree on economic activity.

In addition, the decree establishes the following: A scale for determining the tax on increases in the wage funds of the companies, which is issued as appendix no. 1 to the decree; the minimum norms for allocating money from profits to the companies' "development and technological renewal" funds, issued as appendix no. 2 to the decree; and norms for allocating money from profits for social-communal and cultural purposes.

The decree also establishes the following: A norm for contributions to the budgets of the municipal people's councils, which is set at 10 percent of the profits according to the balance sheet; minimum and maximum values for the basic interest rate, set at 4 and 6 percent respectively; foreign currency exchange factors that are to be applied for foreign trade activity and price setting, which are: 2 leva for each lev of freely convertible currency, and 1.05 leva for each convertible ruble. The decree establishes that the companies are to contribute 5 percent of the total receipts of their "development and technological renewal" funds to the revenue of the municipal people's councils, for the purpose of developing the social and technical infrastructure of the settlement systems.

A total of 21 normative acts are repealed wholly or in part (i.e., in respect of individual articles). The most important of those completely repealed are: Council of Ministers' Decree No. 64 of 1987 and the code for economic activity approved by this decree; the order on prices; and other normative acts, with certain exceptions, including: the order on interrelations in the investment process, the order on economic contracts, the turnover tax tariff, and the pension tax tariff.

In cases where acts of the Council of Ministers that are not repealed by this decree conflict with the regulations for applying the decree on economic activity and the present decree, the provisions of the above regulations and this decree apply.

Presidium Issues 'Victorious February' Statement

AU2802141689 Prague RUDE PRAVO in Czech 21 Feb 89 p 1

[CTK report: "Proclamation by the CPCZ Central Committee Presidium on the 41st Anniversary of Victorious February"]

[Text] Esteemed fellow citizens and comrades!

At present we are recalling the 41st anniversary of Victorious February in 1948. From this historic victory of the working people our homeland has journeyed along a road of socialist transitions, the result of which has been the eradication of exploitation, social and nationality iniquity, and the backwardness of entire regions. We have many times multiplied the potential of industry and agriculture, we have built a broad system of social security, and we have achieved a considerable increase in the material and cultural level of the life of the people. The international status of our state has increased.

These undeniable successes are the metier of the CPCZ, the National Front, and the selfless and creative work of entire generations of workers, farmers, members of the intelligentsia, and everyone who contributed to the fact that socialism has put down strong roots in our country. At the same time we based ourselves on fraternal cooperation with the USSR and other countries of the socialist community.

We are commemorating the 41st anniversary of Victorious February at a time when our society is entering into a new era of its development. This period requires new approaches and new deeds. We have started out on a road whose goal is the thorough intensification and modernization of the national economy, the acceleration of the socioeconomic development of the country, and the strengthening of socialism as a dynamically evolving and deeply democratic social system. Therefore, in conjunction with the conclusions of the 17th CPCZ Congress, and encouraged by the new course of the CPSU, we decided at the 7th meeting of the CPCZ Central Committee in December 1987 to implement the complex restructuring of all spheres of social life. We view this as the continuation of the socialist revolution and the evolution of the legacy of Victorious February under new conditions. In its foundation the restructuring of the economic mechanism is indelibly linked with the further improvement of socialist democracy.

The program of restructuring and democratization meets with understanding and broad support in the party and in society. The main requirement of the present is to switch over everywhere to its implementation, to practical actions. It is the only possible road leading forward so that our society can acquire the new requisite dynamism of development.

We are firmly resolved to elaborate and strengthen the course on which we have embarked. We know that its realization will not be easy or without conflict. It will require the purposeful approach and concentration of all forces. Each person ought to lend a helping hand in his own sector. At the same time, it is necessary to overcome many accumulated problems, inertia, and sometimes even self-satisfaction and self-indulgence. In all sectors and levels of management we must eradicate the shortcomings and bungling that immediately concern the needs of the people and justifiably vex them. It is impossible to permit any indulgence or indifference in this. To this end, a series of decisions were made to resolve these problems. How they are fulfilled must be thoroughly controlled everywhere, and conclusions must be drawn from irresponsibility.

Great work awaits us during this very year. First of all, we must fulfill the tasks of the 4th year of the Eighth 5-Year Plan in industry, agriculture, transport, and construction in all sectors. This requires the acceleration of research and development progress, the enforcement of high economization, the rational, most efficient use of raw materials and supplies, the wide introduction of progressive working methods, and the bearing in mind of the working people's just material rewards and moral appreciation. This is the only way to continue in our social policy, to improve the conditions of the life of citizens, and increase their certainties. Only then will it be possible to come to terms with the problems that occur in the internal market, in services, and in other spheres. In order to successfully complete these tasks it is necessary to develop the initiative of working collectives and the proven forms of socialist competition.

This year is also the year in which preparations will be completed for the transition to the implementation of the principles of the new economic mechanism in the whole of industry, construction, and in other sectors. Work has already begun everywhere in agriculture and the food industry according to these principles. For the successful advance of restructuring in the economic mechanism, so that it bears fruit, it is necessary to create conditions by fulfilling the tasks of the plan, by improving the management and organization of production, and by introducing economic accountability and order into salaries. It will be necessary to stabilize the newly evolved organizational structures, to hold more elections of directors and councils of working collectives, and to fully develop their activity. In management organs, it will be essential from the top to the bottom to more decisively overcome bureaucracy and to optimize and increase the efficiency of the apparatus. The work that lies ahead of us is extremely responsible work. It places especially high demands on managerial workers. However, the foundation of its success is and will be the most active participation of the workers. This year we have also entered into a period of intensive preparations for the 18th CPCZ Congress, which was convoked for May 1990. The party is the inspiration of restructuring and is its main motive force. The decisive prerequisite for the

fulfillment of this mission is its firm ideological, organizational unity, and unity of action in close bonds with the people. The precongress period must activate communists and lead to the increased capacity for action of party organizations. It is the duty of communists to be the initiators of social changes and to stand in the vanguard for the fulfillment of tasks and in the struggle with deficiencies and negative phenomena. Therefore, it is important that they be in constant contact with the people, that they know their attitudes and opinions, and that they jointly implement the program of economic and social restructuring in the interest of further developing socialism in our country. The preparations for the congress are an opportunity for a comprehensive discussion of the tasks that we want to mark out for the coming years, whether the issue is the CPCZ program, society's socioeconomic and spiritual development for the further period, the formulation of the new CSSR constitution, or another further course of action in restructuring and democratization. We want to subject all of this to broad public discussion with the aim of implementing the valuable comments and experiences of the working people and of all citizens. An important requirement is that this discussion be linked with the effort for the successful fulfillment of the tasks that lie ahead of us.

The National Front, the political parties, social, and special interest organizations affiliated in it fulfill a significant mission in the development of our society. We esteem the work which they carry out. New space is opening up for their operation. The point is that the stimuli for the activation of the National Front are fully utilized, that the National Front is a genuine platform for the implementation of the interests and needs of citizens, and for their active participation in the creation, implementation, and control of the policy of the state.

The national committees, which directly look after the satisfaction of the needs of people and take care of the development of communities and cities, have an extraordinary responsibility. Their authority has been increased for this. Also, further economic conditions will be created so that the national committees can function as efficient organs of socialist self-management and can really decide on all questions that fall within their province, including improving the environment.

In order to achieve the aims which we have outlined, we require a creative atmosphere and such a democracy in which trust, discipline, and responsibility prevail and which links the rights of man with his duties. Only then will it be possible to face up to all the things that slow down or threaten the process of restructuring and democratization and to strengthen faith in the future.

In this connection it is impossible to overlook the fact that, especially in recent months, forces have been activating themselves in our society, forces which do not put forward the aim of contributing to the development of socialist society or to the better and more satisfied life of the working people and their families. Thus, as several times in the past, they are also now attempting, with the help of certain Western political circles and their mass media, to organize various acts of pressure and to create tension in society with the aim of destabilizing conditions. The political method of the subversive forces is demagoguery and attempts to manipulate public opinion. In particular, they try to abuse the inexperience of certain young people. And do not even refrain from threats, intimidation, and terror.

These are dangerous attempts which it is essential to decisively reject. They are in fundamental dissension with the interests of the people, our nations and nationalities, and with the humane and democratic traditions of our country. It is impossible to allow the process of restructuring to be frustrated and democratization abused by the stirring up of unrest and by disrupting public order and the peaceful work and life of people. It is necessary everywhere, and without exception, to uphold the laws and, in harmony with the legal code, to prosecute their violation justly and to struggle with all disruptive phenomena.

Our effort for the implementation of the program of restructuring and democratization is also in complete harmony with the solution of the main task of humanity, which is the removal of the danger of nuclear war, gradual disarmament, and the development of peaceful international cooperation. In this struggle we stand firmly by the side of the USSR and other socialist countries and all peace-loving forces in the world.

The CPCZ Central Committee Presidium turns to all communists, to all the members of the other political parties, to members of National Front organizations, to the workers, to collective farmers, to the intelligentsia, to all citizens irrespective of religious persuasion, and to the younger generation, for whom first and foremost the process of restructuring is intended: In the spirit of the revolutionary legacy of Victorious February, in harmony with the new requirements of our time let us unite our strengths for the further construction of socialism in our homeland!

Only on the basis of honest, conscientious work and creative actions corresponding to the needs of development is it possible to achieve a happy and contented life for our people.

For the development of socialist society in the unity of the Party and the people by the road of restructuring and democratization!

Vaclavik 'Order of Day'

AU2802160689 Prague RUDE PRAVO in Czech 25 Feb 89 p 8

[CTK report: "From the Order of the Day by the Minister of National Defense"]

[Text] Prague—Army General Milan Vaclavik, CSSR minister of national defense, issued an order on the

occasion of the 41st anniversary of the victory of the working people over reactionary forces in February 1948. Among other things, he stated in it:

We remember the victory of the working people over reactionary forces in February 1948 as a historic milestone in the development of our society. By the resolution of the question of state power in favor of the working class and the working people 41 years ago, the era of the exploitative-capitalist social order was definitively ended in our country.

During the entire period from February 1948 the Communist Party has strived to ensure the defense of the state and the power of the working class. It constructed a modern socialist army, one dedicated to the party and the people, and one completely reliant on the experience and assistance of the Soviet Army and on international cooperation with the other armies of the Warsaw Pact member states.

To continue under the present conditions in the achievement of February means to also fight for the enforcement of the new political thinking in the solution to international questions.

Contemporary measures in reducing the number of personnel, arms, and in the introduction of organizational changes in the Czechoslovak People's Army [CSLA] are being pursued unilaterally as the CSSR's concrete contribution to improving trust and security in Europe. These, however, do not mean a lowering of demands. On the contrary, the mobilization of all forces is necessary so that the security of the state and our socialist society is fully guaranteed despite these measures.

In harmony with the defensive character of the Warsaw Pact member states' military doctrine, we will therefore strengthen the combat readiness of the CSLA. We will consistently intensify cooperation with the Soviet Army and the other armies of the Warsaw Pact member states for the protection of peace and socialism.

Premier Adamec Answers People's Questions

AU2802123689

[Editorial Report] Prague MLADA FRONTA in Czech and Bratislava SMENA in Slovak on 23 February both carry correspondents' reports, 1,000 words and 1,300 words respectively, on answers by CSSR Premier Ladislav Adamec to questions from participants in his meeting with the "youth of Bratislava and the West Slovak region" in Bratislava on 22 February.

Prague MLADA FRONTA in Czech on 23 February on pages 1 and 2 carries a 1,200-word Zbynek Fiala report on Adamec's replies. Fiala notes that "from the vast amount of information" provided by the premier he tried to "record at least the most relevant points." He summarizes them as follows:

"On houses and apartments: By the end of March, the idea of state support for do-it-yourself individual housing construction should be assessed with final validity, in cooperation with the Socialist Youth Union [SSM] Central Committee. This support should consist of a Kcs150,000 contribution and a Kcs150,000 credit. Next year and in the subsequent 5-year period 10,000 to 20,000 apartments should be financed in this way. The exact number is hard to estimate, the builder will have to invest a lot of time and effort. How many people will be willing to do this? 'I am myself curious how strong the response will be,' L. Adamec remarked.

"On red tape: 'We have decided that no material submitted to the government must exceed 15 pages in manuscript. It used to be common for such material to weigh 3 kg. How many people had to work on it, how much paper and secretaries' time were spent on it! On the other hand, no state can do without an efficient and competent bureaucracy. But our system of administration is often too expensive, overstaffed, and incomprehensible, and sometimes it embitters people instead of helping them.'

"On elections: 'The CPCZ congress is now planned and it will be followed by preparations for elections, which will most likely provide for several candidates for each seat. How many? During my last visit to the USSR [16 to 18 February], Mikhail Gorbachev told me that during the current election campaign in the Soviet Union, where the law requires a minimum of two candidates for each seat, they have three or even as many as six candidates at some places.... Why not? Let the people choose the best one and let them then load tasks onto him. Time will show how well this will acquit itself. What simply needs to be done is to make a try. Mistakes can be corrected later. The worst thing of all would be doing nothing.'

"On egalitarianism: Egalitarianism in our country has become so dangerous and it has struck such deep roots that it has become a drag on all progress. Why should a good foreman not make as much money as a director? According to the law on state enterprises, all such decisions can be based, first and foremost, on economic performance. But watch out! The doors are being closed! Next year it will no longer be possible for anyone to walk around ministries or the State Planning Commission with his arms held out, asking to have his account balanced out in the case of economic failure. 'It will hold true that whatever you earn, so much you will get.'

"On universities: The starting salaries of young scientists are a long way from representing social justice. Some benefits for the first years on the job are being planned. On the other hand it is apparent, however, that the quality of universities has greatly declined, as a result of the endeavor to have as many graduates as possible. Today's manpower shortage will not last forever. The time will come when directors will be choosy and will be

willing to pay for a red diploma [received by outstanding students], for instance. The key lies in teachers, however. 'Teachers must get support and trust and their decisions must be final.'

"On travel: 'It is necessary to travel to the world. Our forebears used to wander as journeymen and came back enriched with knowledge and experience. We, too, must travel expeditiously, which is impossible without knowledge of languages. Money, more money than now, needs to be invested in specialists' stays abroad. But we also must demand that those who travel abroad show results. This also applies to tours of duty. I was told at our embassy in Moscow that 20,000 people were on tours of duty in the USSR last year! All the transportation costs, lodging fees, and traveling expenses! We should not be pennypinching on travel, but we ought to demand results!'

"On environment: The water that we drink in Prague is mostly of substandard quality. At the same time we know how to purify water and are among the world leaders in this field. Why not try to enter the next century with unpolluted waters? 'We spoke about this issue during my USSR visit. We are a country of machine builders. What about concentrating on machine building for the ecology, for our country and for exports?'"

"On diplomatic shops: They exist in every country, there are 140 foreign representative offices in Prague. These shops are used also by other people who have access to them. 'I do not use them, and I am the premier. I buy meat at the butcher's and I also buy all other supplies similarly. And, as you see, I do not look ill-fed....'

"And what is L. Adamec's salary? 'Large, Kcs20,000 a month. Work hard to become premiers yourselves....'"

Bratislava SMENA in Slovak on 23 February on pages 1 and 5 carries a 1,300-word report by Gabriela Rothmayerova and Pavol Komar on the question-and-answer session, which also arranges Adamec's replies according to individual topics. On the subject of modesty, Adamec is reported as saying: "Excuse me, I do not want to moralize. It is all right for young people to be demanding, but they should not forget about modesty either. I have heard that young people live on credit, that up to the age of 60 they depend on their parents. I was more than 40 when I bought my first car, buy my meat at the butcher's, and shop in regular shops. When I started to work in the factory I was told that if I work well I will get an apartment after 3 years. It seems to me that today young people would like to have everything at once. That is impossible, however."

Adamec's replies to questions on education are summarized as follows: "It is unpleasant, but we must realize and admit that the standard and the authority of our universities are low. We keep vying for student numbers instead of educating highly qualified experts. The people who study at the university should be those who are capable of doing so. This is not easy to implement in practice because everyone is afraid of new demands—university teachers, rectors, the minister, everyone. Students do not go to lectures, on Saturday and Sunday they must go to the mountains to relax, and when the exam comes the student fails three times and, in the end, just manages to pass. What kind of expert can such a student be?"

Citing Adamec's replies to questions on the environment, the SMENA report says: "We must no longer destroy our beautiful homeland and stop turning it into a lunar landscape. We are supposed to invest Kcs17 billion [in ecological projects] in this 5-year plan, but how many of these projects have actually been built? We know, for example, how polluted our water is. At the same time, we are possibly the world leader when it comes to knowhow about water purification. Let us therefore tackle this formidable problem, let us make a breakthrough into the world, let us agree with Soviet partners, and with others. Money is not the only problem; the problem is also that national committees in many places underestimate their role. And who else, if not the national committee, knows where it is necessary to intervene fast? This is also why we have assigned responsibility for this sector to the Ministry of Interior and the Environment. We must act quickly and responsibly and become involved in the process of restoring the environment to health. This is also why we have invited the heads of government of neighboring states to our country so that we can join forces in tackling some ecological problems."

On the subject of the "culture of criticism," the premier is reported as saying: "Everyone who knows how to express his view directly—and I hold such people in great esteem—knows that he will not be spared slaps in the face in life. When a person is honest to himself, when he always says what he thinks, it is evidence of his high moral credit. I concede that the situation and the atmosphere for criticism is not ideal in our country. The more frank and sincere people we have among us, people who do not have to be ashamed of themselves, the better for all of us."

The SMENA report also quotes Adamec's replies to some specific questions. Asked about the possibility of holding "popular referendums" in Czechoslovakia, Adamec reportedly "expressed the idea that we do not feel the need to apply them in our country." Asked whether "the [January] events in Wenceslas Square were unavoidable," Adamec reportedly said that "they need not have taken place if the Western centers did not organize and feed a campaign against us.

"Personally, I am more favorably inclined to dialogue than to protest gatherings and resolutions. We shall conduct a dialogue with those who want to find common language with us. But we will definitely not support those who do not want to."

According to the SMENA report, some questions raised at the meeting were answered by Slovak Premier Ivan Knotek: "Asked how many parishes were unoccupied in the West Slovak region, he said that this concerns a maximum of 10 to 15 parishes and added that the Slovak SR Government respects all believers who discharge their duties as citizens and at work. In connection with the number of weekend cottages in Slovakia, he said that of 28,000 weekend cottages, 1,200 are problematic. He also said that cottages which their owners will build without the appropriate authorization will be torn down at the builder's expense."

Adamec Visit to USSR Assessed, Praised

AU2202142489 Prague RUDE PRAVO in Czech 20 Feb 89 p 1

[Lubor Kazda commentary: "We Are Jointly Laying the Foundations of Tomorrow"]

[Text] For the second time within a short period, within less than 4 months, the CSSR and USSR heads of government have held joint talks. This chronological fact and, more than that, the contents and outcome of the talks, reflect the dynamism of our times, the tasks arising insistently from the progress of restructuring processes in the USSR and CSSR, from the deep changes crystallizing in the economies of both countries for our cooperation.

Both partners characterized the recent Moscow talks as very frank, comradely, and productive. They particularly emphasized that intensive prior preparations were a good and necessary foundation for their concreteness and effectiveness. The visit by Comrade Adamec to Moscow had a significantly working character, and questions on implementing new approaches in CSSR-Soviet economic, research and development, and other forms of cooperation formed the axis of the visit.

It is no secret that here the necessity for greater effectiveness, of implementing new methods and approaches opening the way to the substantially increased quality of these ties stood out sharply. Both we and our Soviet friends completely concur in the view that it is necessary to more effectively link the creative potential of both countries, to achieve a better division of labor, and to more energetically eradicate the obstacles restraining the expansion of integrated ties—in short, to establish in the concept of our cooperation a new level, a new perspective, and not only by words but also by broad practice based on the considerations of intensification.

Among other things, these are projected in the Concept for the Economic and Scientific Technological Cooperation Between the CSSR and USSR for the Next 15-20 Years, which Comrades Adamec and Ryzhkov have now signed. The concept is a general, flexible document concentrating on the basic aims of collaboration between economic branches and science by progressive means. It proceeds from the premise that the enterprise sector of both countries will increasingly independently select concrete cooperative relations, and that in the founding of joint enterprises and in the development of direct links, the basis must be one of genuine economic interest and benefit; and that therefore, it is impossible to follow a road of directive-imposed detailed tasks. This document, then, was permeated by the efforts of both countries to find a way to optimally unify the functions of the center with the stimulation of the independence of enterprises.

In economic cooperation, in short, the time has come for comprehensive and difficult structural changes. We have already known for a long time that the structure of CSSR-Soviet trade is not progressive but rather that it has been rigid for many years. An extremely low proportion of modern, quality machinery and other state-of-the-art products figure in this situation. We are at times both used to seeing in ourselves trading partners who will in the end accept obsolescent goods, low-tech goods, and goods at inadequate prices. With the bilateral "closing of our eyes" over the quality, or more precisely, over the lack of quality of certain products which we allowed to occur, we de facto mutually hurt ourselves economically, so that this manifested itself in the ideas and opinions of our people about the other country.

Yes, there are many accumulated problems with which we must come to terms. The businesslike and constructive nature of the recent Moscow talks indicated that we will manage to find a solution. At the talks between the premiers the extraordinarily important topic of protecting nature and the environment also entered the focal point of the perspective of CSSR-Soviet cooperation. The first concrete step has already been taken here: The first agreement has been signed that seeks to use the possibilities of uniting the forces of both countries to solve complex ecological problems over which practically the entire world has been racking its brains. It concerns joint approaches for protecting the atmosphere, water, soil, flora, and fauna, as well as for the sensible use of natural resources, the improvement of the environment of cities, the introduction of zero-waste technologies, and cooperation and specialization in manufacturing protective ecological equipment.

During the visit by Comrade Adamec, Comrade Ryzhkov highly praised the CSSR initiative in inviting the heads of neighboring governments to an ecological conference. On behalf of the USSR, he announced his complete support for this and at the same time expressed the interest of the Soviet side in taking an active part.

Supplies of Soviet gas and crude oil have a key significance for the structural changes in the CSSR economy and for implementing a series of radical steps to improve the ecological situation, especially in Prague and the North Bohemian region. The CSSR side requested its Soviet friends to increase the volume of supplies. This is not a simple request. From the talks it arose that, within

the framework of its own possibilities, the USSR will do its best to meet our request. At the same time, we must also use other methods to satisfy our energy requirements.

The reception of the CSSR premier by Mikhail Gorbachev during the course of the visit once again indicated the sincere, deep, and lasting interest of the most senior Soviet representative in our country, in the progress of restructuring in Czechoslovakia, and in the opinions, life, and working conditions of our citizens.

The talks in Moscow made their contribution to further developing CSSR-Soviet friendship. They are a contribution to the start of a more intensive development of comprehensive cooperation and the intensification of collaboration between both countries in the implementation of significant reforms.

Deputy Premier Criticizes State of Health Care

AU0203113689 Bratislava PRAVDA in Slovak 1 Mar 89 p 2

[CTK report: "CSSR Federal Assembly Committees Meet"]

[Excerpts] Prague—Health care problems in Czechoslovakia were discussed by CSSR Deputy Premier Matej Lucan at a joint meeting of the Industry, Transport, and Trade Committees of the Federal Assembly's Chamber of People and Chamber of Nations in Prague yesterday. He ascribed as the causes of the not overly good state of health of the CSSR people, among other factors, the poor state of the environment, the unsuitable diet, and the people's way of life. He also discussed the inadequate endowment of health care establishments with technology and about inadequate supplies of medicines. The deputies dealt, among other things, with the problems of nutrition. In this connection they pointed to the excessively high prices of vegetables. [passage omitted]

The implementation of tasks aimed at improving the standard of care for people's health, which will be discussed by the CSSR Federal Assembly Presidium in March, was also the subject of yesterday's session of the Social Affairs Committees of the Chamber of People and the Chamber of Nations of the CSSR Federal Assembly in Prague. The introductory statement was made by CSSR Deputy Premier Matej Lucan, who stressed that the people's health is the most crucial indicator of their standard of living. [passage omitted] The government will deal with tasks aimed at improving the standard of care for people's health this May. He provided information on operative measures being taken by the government and declared that next year, for example, the shortage of disposable syringes will be eliminated once and for all. Kcs120 million have been appropriated for importing ambulances. Extra foreign exchange funds have been appropriated for imports of scarce medicines. The number of scarce medicines is thus gradually being successfully reduced. In the adopted resolution, the deputies noted that the development of the state of health of the Czechoslovak people is not favorable. They recommended that CSSR Deputy Premier Matej Lucan discuss in the federal government the appropriation of extra funds from the national income to develop health care, and that the government devote extraordinary attention to the cadre, personnel, and social plans concerning the development of health care, including society's material appreciation of the significance of the work of employees in this sector.

Importance of Market Mechanism Emphasized

AU2802160089 Prague RUDE PRAVO in Czech 24 Feb 89 p 4

["jc"-signed article: "Services Should Serve"]

[Text] The issuance of permits by national committees to citizens who wish to provide services is one way of contributing to improving services. However, this form has not become too popular in Slovakia. In 1986 a total of 5,902 citizens there possessed such a permit. By the end of last year, this number had risen only to about 10,000. For about 20 percent of these persons this work constitutes their main job.

The reason for the low interest in this lies, among other things, in the fact that this way of ensuring services is still viewed as temporary. Therefore, they are provided mainly after working hours, and thus without a greater effort to acquire larger premises, equipment, and material for this purpose. Moonlighting and avoiding the payment of taxes are more advantageous. However, the consequence of this is the pilfering of material which is in short supply, and sometimes even the use of the enterprise equipment.

"In an effort to reverse this development, we conducted a survey. We have learned that the tax and credit policy, and administrative difficulties in obtaining permits, material supplies, with the purchase of machinery and equipment, and with the acquisition of suitable premises, are the main obstacles to citizens providing services," explains Pavol Frolkovic, Slovak deputy minister of the interior and the living environment. "Therefore, a law on small-scale entrepreneurship is being prepared which is to take effect on 1 January 1990. It will replace the existing way in which permits are issued. The law that is being prepared describes the entrepreneurship of citizens as an activity which is desirable for socialist society, and it puts this form on the same level as state and cooperative organizations in terms of the acquisition of premises, equipment, credits, and so forth."

Comrade Frolkovic stresses that in no case will someone be allowed to base his prosperity on the exploitation of someone else's work. This also will not be a sell-out of the socialist enterprises. Services for citizens will continue to be ensured mainly by socialist organizations.

However, the development and quality of services are unthinkable without the elimination of the monopoly, without the assertion of the market mechanism.

Legalization of Solidarity Warned Against

AU2402122389 Prague PRACE in Czech 18 Feb 89 p 3

[Richard Pokorny commentary in the "At the Close of the Week" column]

[Text] The 2d week of the "roundtable" talks is drawing to an end, an event that really hardly anyone could have expected to be the magic wand that turns a dilapidated house into a fully stocked pantry. Although the everyday Polish reality is different, it needs to be acknowledged that, despite the difficulties accompanying the life of our northern neighbors, the spark of sober expectations is, promisingly, still faintly glowing. When on 6 February the 57 participants met in the Palace of the Council of Ministers on Krakowskie Przedmiescie Street and sat down at the huge roundtable (specially manufactured at Henrykov), it seemed that everything was thereby settled, that all problems and difficulties could be loaded onto the shoulders of those who would jointly ponder what to do next.

The first 2 weeks were devoted to the clarification of some questions of principle, connected with three basic ranges of issues—the national economic and sociopolitical sphere, problems of trade union pluralism, and questions of political reform. Some subcommittees—discussing, for instance, legal and judicial reform, problems of agriculture, and the like—were also in session. It needs to be acknowledged that on some partial issues consensus was reached, which could serve as the basis for further constructive talks. However, there also exist some demands and categorical statements that are not based on realistic positions; this concerns, for instance, the demand for a reduction in expenditures on the defense of the country that has been raised by "Solidarity" representatives. This is a blatant attempt to disrupt the efforts of the other participants at a realistic and businesslike discussion. It must be clear to everyone that it is precisely in the military sphere, in the sphere of national defense, that the trend toward reduction in troops and weaponry has already been started, in harmony with identical steps by the other Warsaw Pact member states.

However, let us return to the very beginning. Is the optimism pinned on the "roundtable talks" (looked at from our perspective) really warranted? It needs to be acknowledged that the offer granted to the "constructive opposition"—as the interesting Polish term goes—is truly generous, just like the patience displayed by the Polish state leadership in exploring the paths toward these talks. It is also true that the composition of the participants rather faithfully reflects the current balance of forces in the country. However, is everyone who attends the talks really concerned about leading the country out of the situation in which it now is? Is it possible, on the basis of the experience acquired, to trust that the "Solidarity" representatives (who, out of "solidarity," represent also other opposition currents that can by no means be called constructive) sat down at the roundtable with the best intentions, especially now, following the recommendation of Thursday [16 February] that this organization be relegalized, including its farmers' variant? Although Lech Walesa leans over backwards to assure that the new "Solidarity" would greatly differ from its predecessor, the atmosphere of the first congress of this organization, held in fall 1981, has not been forgotten everywhere. Its program then was a program for the destruction of socialism and for a return to the bourgeois practices of prewar Poland. Therefore, it cannot be ruled out even today that the demand for trade union pluralism still conceals the danger of destructive tendencies and concomitant actions that do not have in them even a bit of the much-touted democratic spirit. How can one trust words about dedication to Poland when it is precisely "Solidarity" slogans that are driving thousands of people into strikes—in Szczecin, Krakow, or Piotrkow Tribunalski, where they even use force to prevent members of the OPZZ trade union from working? And let me add one more remark—how different can the new "Solidarity" be when people like Jacek Kuron or Adam Michnik sit at the round table as its leading advisers? It was precisely the latter who in that hot summer of 1981 pronounced the following words, published in a student journal, with which he adequately characterized the political mission of this movement: "...Solidarity must become a gun pointed at the government's head...." Well, when one considers all these circumstances, the spark of optimism will turn rather dim again.

But let us not jump ahead of developments, because further weeks of the difficult talks still await all the participants. The goal is clear—to achieve, to use the words of Czeslaw Kiszczak, member of the Politburo and minister of interior, that "...Poland stops being the sick man of Europe...." The country has all prerequisites for this, it only must succeed in putting them to full use, in the spirit of its socialist development.

Writers Association Chief Resigns; Valek Named

LD2802134989 Prague Domestic Service in Slovak 1300 GMT 28 Feb 89

[Text] Jan Kozak, chairman of the Czechoslovak Writers Association, announced at today's session of the association's Central Committee his decision to resign as chairman for reasons of health. He was thanked for his devoted work to the writers association by Jan Solovic, chairman of the Slovak Writers Association, and Ladislav Balek on behalf of the party group of the association's Central Committee.

National Artist Miroslav Valek was named the new chairman of the Czechoslovak Writers Association.

Results of Inquiry Into Investment Projects

AU2802095789 Prague RUDE PRAVO in Czech 22 Feb 89 p 2

["ev"-signed report: "Inadequate Efficiency of Investments"]

[Excerpt] Prague (our correspondent)—Last June the CSSR Government established a special commission and charged it with checking up on 308 designated investment projects that are either under construction or whose construction is planned to begin next year. According to the shortcomings ascertained thus far, the investment projects were divided into four categories.

Into the last category—projects that should be immediately halted or that should not be started—the commission included the Malacky facility for the production of varnished conductors, which is already under construction; the projected production plant for proportionate distributors [proporcionalni rozvadece] in the Brno Heavy Engineering Works, the production hall of the Tesla Roznov enterprise at Opocno, a plant for special pharmaceuticals in the Slovakofarma Hlohovec enterprise, and seven other projects.

Serious deficiencies were found at 56 projects, including the reconstruction of the Klasterec plant of the Karlovy Vary porcelain enterprise, the construction of the Elektromont plant in Kosice, the start-up of new production in the Zetor Brno plant, and the reconstruction of the gray-iron foundry in the Martin Heavy Engineering Works. Unless effective measures are taken to improve the state of affairs, these projects, too, will be halted in 1989 or 1990. According to the commission's findings, 118 projects have prerequisites for efficient use after completion. The shortcomings at the remaining 123 projects are of a partial nature. [passage omitted]

Canceled Military Production Causes Insolvency

AU2802195889 Bratislava PRAVDA in Slovak 27 Feb 89 p 3

[Jozef Krsko article: "Pondering the Current Problems of the ZTS Martin State Enterprise; Is a Kcs8 Loss Still a Profit?"]

[Excerpts] **—Will there be dismissals?**

—Are they going to close you down?!

—Look what an end you have come to!

Quite a few employees of the heavy engineering works (ZTS) state enterprise in Martin have recently been hearing the aforementioned and similar questions and assertions. What happened? After all, not so long ago people were speaking about the ZTS Martin as if it were one of the most important components of Czechoslovak engineering. Today people whisper that it is on its last legs....

—If I have to respond to the aforementioned questions about our organization which, of late, have been asked quite often, I can say only one thing: There will be no dismissals, we will not be closed down—says Eng Jozef Uhrik, candidate of sciences and director of the ZTS Martin state enterprise.

—Thus, there are no problems, and everything is just empty talk?

—I would not say that. We have certain problems, at the moment we are insolvent, Jozef Uhrik answers.

First a few figures: In the years of the Sixth and the Seventh 5-Year Plans, and in the first 3 years of the current 5-year plan (1986-88) the ZTS generated profits of Kcs46,5 billion. In the current 5-year plan—compared with the planned tasks—it increased its profits by Kcs315 million, of which Kcs62 million were during last year. Despite that it is insolvent! The bank does not want to give it credit! [passage omitted]

But let us get back to Martin. One can say that the current insolvency of the ZTS machine builders is, to a considerable degree, caused by the positive trends in the international situation, by the reduced international tension. It is desirable and only correct that the need for special—military—technology is decreasing. This year, compared with last year, its production is to decrease by something like one-half. This blessing for all humanity and society also has its negative local aspects, which will have to be overcome. For example, in the Martin combine enterprise alone (that is, one of several enterprises of the ZTS state enterprise) the failure to overcome this negative aspect would mean the dismissal of about 1,200 persons. Another problem is that the manufacturer has already ordered material—semifinished products and machinery parts—for the planned special production. He has received it and it had to be paid for. The ZTS has become ill with the same infection as the rest of the national economy—large inventories. And since these are unplanned—although objective—inventories, it has not received credit for them without penalties. The unplanned credits and the penalties for them have decisively contributed to the origin and growth of the insolvency. [passage omitted]

Plans for Danube-Ostrava Waterway Ready

AU2302092989 Bratislava PRAVDA in Slovak 16 Feb 89 p 3

[Frantisek Buda report: "Water Artery Leading Toward the Steel Heart; Danube-Ostrava Waterway To Become a Reality at the Turn of the Century"]

[Excerpts] One will board a ship at Izmail, Bratislava, or Rotterdam and then travel without changing ships right to Ostrava.... Although the steel heart of our Republic has no such "waterway connection" with the world as

yet, do not laugh. The scientific staff of the Bratislava branch of the Transportation Research Institute in Zilina claim that everything points toward this becoming a reality. [passage omitted]

Eng Jaroslav Kubec, candidate of sciences and member of the institute's scientific staff, says: This is no dream. Rather, this is the result of serious research; it is a real possibility. The Danube-Ostrava waterway will be roughly 260-km long. We believe that it could be completed by the year 2000, even if the work is carried out half as quickly as the construction of the Gabcikovo hydroelectric project. It will have 17 levels, each consisting of a fascine, a weir, a hydroelectric power plant, and a sewage purification plant. Six fascines on the Morava River and one on the Becva River have already been completed, which makes this all the easier. We presume that 12 ports for loading various goods would be built between Zahorska Bystrica and the north Moravian capital; those in Lanzhot-Brodske, Otrokovice, Prerov, and Ostrava would be the largest. Roughly 27 million tonnes of goods would be shipped via this waterway annually—Soviet and Australian ore destined for the Ostrava area, phosphates from North Africa for Prerov, coal from the north Moravian mines for the southern areas, and also gravel, steel structures, machinery, and agricultural produce. Such extra-large and heavy components such as rolling mill stands, nuclear reactors, etc. would also be shipped via this waterway, for transporting them by road is always connected with great difficulties. I am convinced that there will always be something to transport, for the waterway passes by significant industrial centers or lies close to them.

The express waterway will have to be designed to enable the passage of two barges in a row, barges pushed by tugboats and with at least a 2.5-meter draught. It must be wide enough for the easy passage of two sets of boats going in opposite directions. [passage omitted]

Experts have calculated that the waterway will cost slightly less per km than an expressway. Our national economy would recoup the entire invested capital within 3 1/2-7 years, according to the method of calculation used.

The construction of the Danube-Ostrava waterway is divided into nine stages, with the first being the step at Ostrava near Kuty, where construction should begin this year. The budget for the trial construction project there is estimated at Kcs159 million, and the project should be completed within 2 years. [passage omitted]

Books by Catholics, Emigres To Be Published

AU0103094989 Prague MLADA FRONTA in Czech 22 Feb 89 p 1

["se"-signed report: "Fewer Blank Spots"]

[Text] The flagship of our publishing fleet—CESKOSLOVENSKY SPISOVATEL [Czechoslovak Writer]—yesterday presented the entire arsenal with which it will enter the turbulent waters of our book market this year. Compared with last year, when National Artist J. Pilar, director of CESKOSLOVENSKY SPISOVATEL, did not ooze optimism, this year's publication plan looks more promising as far as its contents are concerned. However, even such bestsellers as this year's septuagenarian B. Hrabal's "Three Novels" (including "How I Served the English King" [previously published only in the West]) in prose or O. Mikulasek's "Agogh" in poetry, which will be published for the first time after 18 years, do not guarantee that the whole year's efforts will not end in financial losses for the publishing house. The 26-percent increase in the prices charged by printing plants will not only devour the publishing house's profits, but—in the 40th year of its existence—will bring its finances into the red. It is gratifying that writers are not overwhelmed by this, that they have not lost their zest for work, and that they have even set out to fill in the blank spots in our literature. After all, authors such as [Catholic priest and poet Jakub] Deml, [Catholic novelist Jaroslav] Durych, [post-1948 emigre Egon] Hostovsky, and [post-1968 emigre Ludvik] Askenazy have not appeared in our book stores for decades, to our own detriment.

Grosz Addresses Szolnok County Deputies

LD0203205489 Budapest Domestic Service in Hungarian 1730 GMT 2 Mar 89

[Text] Party General Secretary Karoly Grosz has met National Assembly deputies from Szolnok County. Imre Benko reports with recorded excerpts:

[Benko] On 8 March the National Assembly will convene, a day before that the Central Committee will hold consultations, and the Politburo will deliberate even before that. The general secretary met the Szolnok deputies to discuss these issues. On the one hand he was invited, and on the other hand it appeared that he would have gone even had he not been invited, because he, like the other Politburo members, is touring the country these days. To use an old expression, he was now really campaigning here in Szolnok to win the votes of the local deputies on three such issues which do not really come under the decisionmaking authority of the Central Committee. The first issue is who the Central Committee is proposing to replace Istvan Stadinger, who is retiring [as National Assembly speaker], and what the Szolnok deputies think of this.

Relaying the stand of the Central Committee, the general secretary asked the Szolnok deputies to not support placing the issue of Bos-Nagymaros on the agenda of the National Assembly session. It also raised the question of whether the Szolnok deputies agreed that the National Assembly should celebrate 15 March with a festive session. In addition to this, party General Secretary Karoly Grosz also assessed the current Hungarian economic and political state of affairs:

[Begin Grosz recording] These two processes—on the one hand the disintegration occurring in the economy and on the other the insufficiently developing political structure and, what's more, the neglect of elementary political norms, norms of conducting politics, because nobody really consciously infringed on these but rather just ignored them—these two together have created this situation. Well, we have now thus reached the stage before an economic crisis—if I want to quote the classical thinkers—but to use everyday language, we have reached a state of economic crisis. The only reason I cannot use the classical terminology of economic crisis is that, after all, life goes on, production exists, there is food to eat, etc. etc. People are not on the street by the millions and out of work—except for the demonstrators, but that is not the same thing, for they would not be working anyway—so the economy is alive and working. However, with this level of operation, a country cannot be placed in perspective, in a curve of development, and its development cannot be ensured. The fact that we have now reached this stage has also created a political crisis as well, or if I want to be more precise, a prepolitical crisis situation. In other words, this is a critical situation. Thus, a feverish situation exists in society, and unrest prevails.

In the course of our 40-year history we have now twice gotten into extraordinarily critical situations, even if the forms that these took were significantly different, in 1956 and today. Naturally I did not want to draw a parallel between the two events; I only wanted to indicate a crisis. In both cases we got into this situation because of subjective reasons.

Now, comrades, if a party wants to act responsibly for the country—and regardless of what is being said, the party wants to do this—then it must accept the consequences of this. After these two events it can no longer pass by without a word; it cannot say that it had chosen Mr X or Mr Y as leader, which was bad luck, and that next year things will be different. It must create an institutional guarantee; a new model must be built. However, it is not purely a matter of making a decision.

In the first place there is no such model before us; there is nothing we could copy—and now I am almost at the point where two questions were raised—it slowly seems that something is unsuitable to begin with because it is communist. Please, this is demagoguery and the product of this political situation. We must fight against this because this demagoguery can ruin this country for 50 years. I say this in the full knowledge of my responsibility. In other words, if we can diffuse a crisis situation just by moving cadres, then we will have achieved the optimum solution. Even with this.... [Grosz changes thought] So if in the interest of this a new government must be replaced every 6 months, and a new Central Committee is formed every year and a new party leadership is formed, then this must be done even then, provided we can diffuse the tensions and rearrange processes. [end recording]

Nemeth Previews Upcoming Visit to Soviet Union

LD0203095989 Budapest Domestic Service in Hungarian 0900 GMT 2 Mar 89

[Text] The Hungarian premier is traveling to the Soviet Union today. Miklos Nemeth told MAGYAR HIRLAP that he will have several rounds of talks with Premier Nikolay Ryzhkov, and that Mikhail Gorbachev will probably receive him. He would like to find out at the talks how the Hungarian reforms are evaluated in the Soviet Union. The sides will review bilateral relations and CEMA, and Miklos Nemeth believes that with the latter, at present it is rather mutual disadvantages that are foremost, not mutual advantages.

In connection with domestic political questions, the Hungarian premier said that a plan of action will be put together by the middle of the year. An important element of this is that economic activity be regulated by the law.

Miklos Nemeth confirmed that in the coming months he will initiate further personnel changes in the government, but he did not say who these would affect.

Nemeth, Delegation Depart 2 Mar

LD0203183189 Budapest MTI in English 1655 GMT 2 Mar 89

[Text] Budapest, March 2 (MTI)—Miklos Nemeth, member of the HSWP Political Committee and chairman of the Council of Ministers, left for a working visit to Moscow on Thursday [2 March] at the invitation of the CPSU Central Committee and the Soviet Council of Ministers. Mr Nemeth is accompanied by Istvan Oszi, deputy foreign minister, and Peter Szonyi, deputy minister and head of the Office of International Economic Cooperation of the Council of Ministers. Sandor Rajnai, ambassador of Hungary to the Soviet Union, is to join the delegation in Moscow.

At Budapest's Ferihegy Airport, Mr Nemeth was seen off by Peter Varkonyi, foreign minister, and Elemer Kiss, deputy president of the Office of the Council of Ministers. Present at the airport was Vladlen Puntus, charge d'affaires ad interim of the Soviet Embassy in Budapest.

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Mr Nemeth's introductory visit as prime minister to the Soviet Union is to last for a little more than 24 hours. Mr Nemeth was invited for an earlier date but his visit had to be postponed because of the tragedy in Armenia. The Hungarian prime miniser is scheduled to meet Mikhail Gorbachev.

The talks are expected to focus on the issues of Hungarian-Soviet economic cooperation. The sides are to exchange information on their practical experience in the reform of economic management. Mr Nemeth is to inform his partners on the planned reform steps of the Hungarian Government and the problems of seeking a way out.

Nyers Views Current Political Situation

AU2802174789 Budapest MAGYAR NEMZET in Hungarian 20 Feb 89 p 5

[Report by correspondent Istvan Boros on a meeting of the Young Lawyers' Club with Rezso Nyers, Politburo member and minister of state: "Young Lawyers' Club—Past, Present, and Future—Rezso Nyers on the Rehabilitation of Social Democrats, on the Bogomolov Interview, and on the Ferenc Munnich Society"; date, place not given]

[Text] The Young Lawyers' Club, an organization within the PPF, titled its latest meeting "Past, Present, and Future." A guest at the meeting was Rezso Nyers. The meeting was important mainly because it took place only a few days after the MSZMP Central Committee session of 10-11 February, a session which dealt with "topical domestic policy issues" as well as the multiparty system and the evaluation of 1956.

In view of all this, it is perhaps not surprising that, in his introduction, the former Social Democratic politician spoke about the synthesis of social democracy and the communist movement. This is also important because, as is well known, the Social Democratic Party has been reestablished in Hungary, and this will have consequences for the MSZMP and former Social Democrats.

Rezso Nyers pointed out that social democracy had always been strongly bound to democratic traditions and values, while the communist movement set out rather radical concepts and goals. This is how he explained the fact that these parties had so often moved away from real politics. Rezso Nyers then analyzed a seemingly secondary aspect, namely the efforts of these movements to become international, saying that the social democratic movements have been conducting international exchanges of views within the framework of the Socialist International to the present, while no such meeting has taken place in the communist movement since 1976.

Rezso Nyers pointed out that the views of today's reform communists were very close to the ideas of social democracy.

[Boros] What is characteristic of the reform communists?

[Nyers] We recognize the market economy, we accept parliamentarism based on a multiparty system, and we understand the relations between the state and society on a dualistic basis.

From this basis, it is impossible not to deal with the issue of the Hungarian social democratic movement itself.

Our social democratic policy should be fully rehabilitated. Here I am thinking of all our comrades, including Karoly Peyer and Anna Kethly. Anna Kethly's activity prior to and following the liberation should be evaluated in positive terms, and her activity as an emigrant should be analyzed.

[Boros] What is your opinion about the establishment of the Social Democratic Party?

[Nyers] We accept the existence of this party.

[Boros] Do you not think that when the Hungarian Workers Party ceased to exist in November 1956 and yielded its place to the MSZMP, that this act simultaneously canceled the union between the two parties that had been declared in 1948?

[Nyers] No! The MSZMP maintains its united party character.

[Boros] Will you be able to cooperate?

[Nyers] There are opportunities for cooperation, and we are searching for ways that will lead us toward each other. As for our relations, we will be their social democratic conscience, and they will be our socialist conscience.

[Boros] Will the Social Democratic Party regain its headquarters?

[Nyers] I cannot give a responsible answer to this question, but in my view there are ways of achieving this.

[Boros] In connection with Grosz' interview on Hungarian radio and television, how do you regard the statement that only parties that have their roots in the soil of socialism are and will be able to function? Just what is socialism?

[Nyers] What is socialism? With philosophical questions, we always get to a point where it is simply impossible to give a clear-cut answer, for there are things that simply cannot be answered. I think that in order to function, these parties should be compelled to accept our constitutional order. In my view, the border of democracy lies here.

[Boros] There is a strong contradiction between Karoly Grosz' earlier opinions and his latest opinions about the multiparty system. Now he has acknowledged the activity of many parties, while earlier he said that the party was able to imagine pluralism only within the framework of a one-party system.

[Nyers] There has been a change in the party's evaluation of the issue of a one-party or a multiparty system. A debate emerged at the Central Committee session on how we should take a stand: according to the letter or according to the spirit of the May 1988 party conference? There was no talk of a multiparty system in May 1988. The result is well known: The top party leadership decided on the matter after an internal debate. This must be admitted, and this was needed. As for 1956, the formula adopted by the Central Committee is suitable to express the essence of those events. The current interpretation of these events is in harmony with the evaluation formulated by the party on 11 and 25 November 1956, but not with the party communique of December 1956, which deviated from the aforementioned evaluation.

[Boros] Janos Berecz, the author of the article "The Counterrevolution With Pen and Arms," has not yet taken a stand on this issue. Why?

[Nyers] Janos Berecz took the floor at the Central Committee meeting. He accepted the evaluation. At the same time, several people asked whether he should not distance himself more from his previous views. Janos Berecz said that he had done this in recent months.

[Boros] How did Rezso Nyers evaluate the Bogomolov interview?

[Nyers] This was a surprising interview. In my view, it dealt with the Hungarian model, and not with Hungarian neutrality. At the same time, we must also say that, although we have good personal relations, Academician Bogomolov is not an official representative of Soviet policy. However, I evaluate his words as the first semi-official Soviet acknowledgement of the multiparty system and of the market economy.

[Boros] A collection of signatures has begun among National Assembly deputies to halt the construction of the Nagymaros power station. Can we expect the government to reexamine its previous decision?

[Nyers] There has been no change in the government's stand on this issue.

[Boros] What is your opinion of the Ferenc Munnich Society, particularly in view of the fact that this organization has many members who keep weapons at home?

[Nyers] The members of the Ferenc Munnich Society represent an extremely mixed sector of society. Perhaps there is a majority of fundamentalist communists among them. Besides, I knew Ferenc Munnich, and I consider it possible that he would not accept this society, because he was a liberal.

Fejti Discusses Constitutional Debate

LD2402204389 Budapest Television Service in Hungarian 1940 GMT 23 Feb 89

[Interview with Central Committee Secretary Gyorgy Fejti by unidentified announcer; date, place not given—recorded]

[Text] [Announcer] At its last session the MSZMP Central Committee debated the principles of the new constitution. The keynote speech was delivered by Central Committee Secretary Gyorgy Fejti. My respectful greetings to you. I think that perhaps we should speak not so much about the background of the event but rather about its political implications. First and foremost, who and in what form has taken part in preparing the constitutional work?

[Fejti] With the end of January the professional, scientific, and foundation work of the new constitution concept has in essence been completed. A few hundred constitutional lawyers and political observers took part in this—other words, if you like, the cream of the profession took part. For the time being, the basic concept to date can only be described as debates in restricted circles. For example, the parliament's committee entrusted with constitutional work has dealt with it, and so has the government, and the government's consultative body. But I consider it important that the justice minister has also already consulted with a series of social organizations in this phase of work, including representatives of some alternative organizations.

[Announcer] Because you have referred to the justice minister, is there no debate between you, for example—because I think there is—on the issue of whether in fact it is a question of a collection of rules of law or of a political declaration?

[Fejti] Well, law always has a political content. There is total agreement between us in that the statute nature of this new constitution is what has to be asserted. By this we must understand that most of the relations which this statute regulates should be done so directly—in other words, without the introduction of further rules of law. Therefore, the constitution in itself should be consistent, self-explanatory, and should in itself be usable. At the same time there is a conception—after all, the constitution has its framework of contents—to the effect that after the constitution, which stands at the apex of the rule-of-law hierarchy, important relations should be regulated by so-called laws of constitutional force. The logic of this is that while we conceive the adoption of the constitution as taking place by way of a referendum, these laws of constitutional force would also have a strict schedule of adoption. This would mean, for example, that parliament would adopt with an absolute majority the laws containing such cardinal issues.

[Announcer] The fact that you are speaking in the conditional tense obviously indicates that we are not at the point where we definitively know what the final version will be. This, on the other hand, justifies asking why the Central Committee has now placed this topic on its agenda. I ask this also because some people are asking why this was not discussed with the party members first. Also, there are those who say: Why now? Why not when it has also gone through parliament, when parliament has also discussed it?

[Fejti] The Central Committee has in essence met this concept in the first reading, and it had to assess merely whether it is in a form suitable for social debate. In other words, it has not yet decided anything. In essence, it has left open all the alternatives that figure in the concept. Our intention is that as part of the social debate, a serious debate should also be conducted on this within the party. What is more, I do not think it would be correct to debate these things in a segregated manner. But both locally, in localities, and in the centers, it would be worthwhile tp hold consultations on many isues. Therefore, the Central Committee wishes to shape it own stand on certain debated issues after it has become acquainted with the opinions of the party organizations.

[Announcer] But the Central Committee has in any case already evolved a kind of stand. If they now start to discuss this in the party organizations, then, how shall I put it, that will already be a pointer, if nothing else. Is there no fear of that?

[Fejti] That is a very interesting (?point). In the event that the Central Committee evolves a standpoint without a widescale debate, then it is reproached by the membership asking why it has done this without a wide-ranging debate. Insofar as it submits for debate a document within loose frameworks, and there are no instructions as to what its opinion is on precise issues, then at times it is reproached with the question: What kind of center is it that does not give its opinion on this? So, this is a somewhat schizophrenic situation now.

[Announcer] As for the parliament, there in fact they say the following—I do not think this is news to you, because I think you come across on this the same way as anybody else—that in practice, the fact that the Central Committee has now debated this, has shaped a kind of stand, and that with this it can in practice exert pressure on parliament; through the parliament's communist faction, as a matter of fact.

[Fejti] Naturally, we also consult with the parliament's communist faction on issues connected with the constitution, as we do about all other important issues. But there is no question today of the communist deputies having a fixed mandate. There would be no sense in this for we are the start of the social debate. If I remember correctly, it is precisely today that the regulating concept appeared in MAGYAR NEMZET. We have to wait until society has tasted—to use this awful expression—the basic concept. We have to feel out where there are already points of agreement, and what are the important points of debate. And in the points of debate, the debate must not strive for their rapid conclusion but rather for a calm, patient, and sober compromise, one that seeks things and that is tolerant of one another's views and opinions.

[Announcer] The MSZMP obviously is not keeping secret its wishes to influence decisionmaking. Is this not the case?

[Fejti] Naturally, that is the ambition of every political force.

[Announcer] The new political forces that are now appearing are not able to appear, as parties, in the same parliament. Thus, while the MSZMP can do so, those political groupings that are not represented in the Hungarian parliament cannot.

[Fejti] I think that the composition of parliament represents, even if not entirely, the political breakdown of current Hungarian society. Thus, the picture, the division, is not so simple as there being communist deputies and nonparty deputies. On the one hand in many issues the communist deputies represent various systems of views. I do not consider this to be a problem; instead, it is a virtue. In the current phase of work there are many kinds of views, within the party as well, concerning the Constitution. These debates have to be settled. At the same time, the nonparty deputies are also linked to the political currents existing in society. Either they undertake this and state that they are linked to some such current, or they merely sympathize with these systems of views.

[Announcer] This presumes something curious: that the party must think together with those who think differently.

[Fejti] It must cooperate, and where it is possible it must seek a joint solution. It will be very important for all the constitution-creating work to utilize its possibilities to create a consensus. There is also another possibility, that the constitution-creation be the subject of tough, daily political debates. Neither is it precluded that this might be the subject of tough, political debates. However, insofar as we maintain the concept that the constitution should lay down basic principles, basic values, and, in this sense, long-term endeavors, then perhaps it will be possible to elevate ourselves above the daily political debates and to find good compromises.

[Announcer] Yes. The party, the MSZMP, considers socialism to be such a basic principle and basic criterion. What will happen if another grouping does not consider this to be a basic criterion; in that case, how will they manage to reach a consensus? And can those who do not accept this basic criterion be excluded from the preparatory constitution-creating work? If they can be excluded, then with what tools? Is it thus conceivable that means of power outside politics could then enter into things?

[Fejti] Well, I exclude the latter possibility. By the way, I think that it is not the communists who (?designate) the direction of socialism, of social development, in this country. I dare to hope that their family members are included in this—at least, more people than there are members of this party. At the same time, it would not be sensible to exclude any sector of society from the process of creating the constitution. And I do not think that it is the concepts over which there should be debate. It is very much rather the basic values of socialism which ought to be discussed, and in this, I suppose that there will be points of agreement.

[Announcer] Allow me to make two comments. One is that I consider what you just said to be very important, because my feeling is that you spoke a sentence in a previous interview which was misunderstood by some people. You suggested that if it were necessary, the MSZMP would confront [not further specified], but it was clearly apparent to me, from your words now, that the issue here is political debate and not anything else. I think it is very important that this be clear.

[Fejti] I am very pleased that you mentioned this, because I have received such comments. Confrontation appears to be an ugly word, but I was rather thinking of its political sense, and I believe that it—a confrontation of views, a confrontation of arguments—in unavoidable, and that very many good things can emerge from it.

[Announcer] Yes, that is very clear. Where there is a battle of arguments, it is all right.

[Fejti] And the weapons remain silent.

[Announcer] Yes, although I did not want to say that. However, I was thinking of it. The other thing is that you are speaking about the basic values of socialism, which several persons collectively can accept, even those whose views do not coincide.

[Fejti] For example, the churches in many ways. Basic values: the humanitarian values of socialism, the ideal of solidarity, social justice—these are very important basic theses, although we have not discussed these. I think that even this could be accepted in quite a wide circle. Perhaps property relations are the most sensitive part, from this viewpoint, of the chapters on the social, economic, and political order. We speak about the equality of the various property forms, while in the long term we conceive the functioning of this society and economy on the basis of collective property, on the basis of communal property, which is not identical to state property.

[Announcer] My only problem is that it is very difficult for us to talk about the basic principles of socialism if we are simply unable to define what socialism is. Nor are we able to define it. If we do not know what something is, it is not definitely expedient to go into its basic values in detail? Do you not think so?

[Fejti] I think it is impossible to condense a definition into one sole chapter and one sole paragraph of the constitution. It would be senseless. It would lay down some kind of picture of the moment, which would not be in our interest. I think that the constitution must reflect basic values which we consider to be the basic values of socialism. Thus, it must emerge from the constitution that we want to define Hungary as a free, democratic socialist state. That is the direction of development.

[Announcer] And if, in the course of the referendum, the will of the majority does not support this, then will you insist that this word, socialist, be incorporated in the constitution? Will the MSZMP continue to insist on this?

[Fejti] I think that the MSZMP will maintain this stand; it will argue in its favor, and it will try to convince the people of this. By the way, it is up to parliament to decide on the various clauses of the constitution, in the first instance. After that there will be a referendum, although a referendum is not so suited to decide on refined, detailed issues. Nevertheless, I think it is necessary to carry out wide-ranging social debates, which are nearly as valuable as a referendum, on the basic criteria. One such matter is, for example, the definition of the state form, which is a very important issue.

[Announcer] Let us return to the state form. What has been mentioned, concerning this, is People's Republic, socialist republic, people's democratic republic, republic. The stand of the MSZMP is that it should remain the People's Republic. I, however, and quite a few other people as well, think that sometimes the strength of a word is weakened if it is decorated with an adjective.

[Fejti] I do not preclude that, but probably very many people would consider it strange if—when we spoke with full justification about the principle of people's sovereignty, about the people being the source and trustee of all power—when we built the entire state organization on this basic principle, we had trouble with this adjective. They would not understand why this was so. Therefore, the argument in itself is not convincing, that from a constitutional-law viewpoint, the word republic defines precisely that what we have here is not a kingdom but a republic. But many positive emotions are attached to the expression People's Republic, and in connection with the constitution, debates, and not only mental disagreements, but also emotions will appear. It will be necessary for everyone who argues in favor of republic, as the state form, to be able to explain what is the problem with the expression People's Republic. So far I have not yet received a correct answer that I consider acceptable.

[Announcer] Not everyone attaches positive feelings to the expression People's Republic. There are other countries as well neighboring us. Thus, my insertion of the word people and my declaring the state form by saying that this is how the principle of people's sovereignty is realized or manifested, is only a statement. In reality, it in itself will not be democratic, nor will it be modern, or up to date. Is that not so?

[Fejti] I agree with that. Thus, this republic can be a People's Republic if this adjective is found in other chapters of the constitution. I believe that this definition of the form of the state is too positive for us to reject. However, it belongs among the issues to be debated. Allow me to add that I personally would refrain from every other adjectival clause, but I do not think there is a reason for us to discard this adjectival clause referring to the people. And if I am allowed to use the primitive expression of the simple people, neither would the simple people understand the philosophy that has a problem with this brief, little adjective. However, we shall see in the debate. At this point, it is an open question.

[Announcer] Let us suppose that a modern and democratic constitution which is based on consensus can be shaped. Do we have to keep an eye on what our allies say about our constitution?

[Fejti] We primarily have to keep an eye on what the Hungarian people say about the constitution. That is what is more important for us. At the same time, it would be hypocrisy not to talk about what, otherwise, is a cliche, that we are in a relationship of mutual dependence, and not only with the socialist partners. In this world every country is mutually dependent; they all have an impact on one another. From this viewpoint, it is not unimportant whether or not our efforts to create a constitution meet with understanding; but neither will this deliver the final verdict.

Here I might mention that often it is asked whether (?there are constitutional principles that are sympathetic to them). Properly speaking, I consider such questions to be senseless, because we have to create Hungary's constitution for Hungary's conditions, which are derived from our own historical past, with the knowledge of current practices, and which also look somewhat ahead.

Therefore, the constitution must be an open one from the point of view of the evolution of natural processes which are spontaneous and look to the future, while it is also necessary to make use of every value which the international constitutional legal practice has created and which is here to stay, whether it has been created by Eastern or Western constitutional legal science.

[Announcer] From what you have said, I conclude that autonomy does not exclude that our alliance ties should remain in place, and this is true vice versa. However, in this respect I think we do not need so much to convince each other as to convince our allies. This is one remark here, while the other one is that the party does not wish to declare in the constitution—although this was said at the Central Committee session—that the leading force in society is the MSZMP. Is this a concession by the party, or does it reflect the party's sense of political reality?

[Fejti] It is interrelated to the recognition that such a fundamental issue is not decided on the basis of legal declarations, but much more on the basis of the extent to which the program and efforts of the Party are attractive to the people; to what extent the party can convince the people that it represents real national interests; to what extent it is able to convince the people of this in a situation of competition. Sooner or later a situation of competition will arise. Therefore, I consider this to be partly a sign of self-confidence from the point of view that we are able to make our system of outlook [nezetrendszeruenket] prevail, even without a legal or a constitutional legal background. On the other hand, this reflects our honest intention of being open toward other political philosophies and ways of thinking, and we are ready to compete with these before the people.

[Announcer] There are countries that are very proud of the fact that their constitution has not needed any changes for 2 centuries. It is probable that the Constitution is a stabilizing factor. Well, if there is anything that Hungarian political public life needs very much, it is stability. Do you also share the opinion that we can expect from this constitution the stabilization of the situation?

[Fejti] Well, we cannot from the constitution itself, but the constitution can play a part. We often pose the question of whether it is permissible to elaborate a constitution during such troubled domestic political circumstances, and it must be said that the situation is not an ideal one today for creating a new constitution. Nevertheless, we have to prepare one. The Constitution written in 1949 and amended in 1972 is, in essence, reaching a stage in which

it is becoming an obstacle in the way of social and economic development. Its definitions are not adequate for the situation in which we live today. In other words, there is a need to elaborate a constitution, and with the goal of the constitution resting on a popular concensus, while at the same time consolidating domestic relations while also not rigidly closing down directions of development. This is a very difficult task to solve, to consolidate. It is difficult to stabilize values and to prevent a reversal through this while at the same time not shutting down the road to further development. This is one of the great dilemmas in creating a constitution.

[Announcer] We have already mentioned that we are not yet at the point when we already know what form the new Hungarian constitution will take. Obviously there will be a debate in parliament; obviously there will be a social debate. There will obviously be a popular referendum; and obviously many programs and newspaper articles will deal with this...

[Fejti, interrupting] I hope at least...

[Announcer, interrupting] It is quite possible that we will meet again on this topic. Thank you.

Party Economic Policy Subcommittee Meets

AU0303140389 Budapest MTI in English 2033 GMT 1 Mar 89 txt

[Text] Budapest, MTI, 01/03/1989—Chaired by State Secretary Imre Pozsgay, member of the HSWP Political Committee, the working group for analysing the events of the past four decades, set up by the HSWP in 1988, under the Social and Economic Policy Subcommittee, held a session on Wednesday [1 March]. The working group is to survey in a comprehensive scientific way the past and present situation, and to submit proposals on possible ways for renewal.

At the session the summary report of the Economic Policy Sub-Committee was presented by Csaba Csaki, member of the HSWP CC [Central Committee], rector of the Karl Marx University of Economics. Among other things, the economic survey includes the study on the present economic crisis of Hungary, and possible ways of solving it. In addition it outlines the damage caused by forced industrialisation, analyses consequences of good and bad decisions taken in response to world economic changes, the close connection between economic and political crisis, and the ideological disorders of socialism.

The study outlines a new economic model to find a way out of the historical dead-end street, which contains the following major elements: a market economy based on mixed ownership, a social protective net, democratization of the economy and the new foreign economic orientation. The study pays great attention to issues of modernization and coming abreast with advanced industrial countries. It discusses the importance of ownership reform, and the creation of a genuine competitive company and enterprise model, including social policy correlations.

Imre Pozsgay emmphasized that we must prepare for our future, without denying our past, and at all times seek a path to social compromise. The condition for safeguarding unity of the nation, its creativity and its trust in the future, lies in making analysis characterised by moderation, objectivity and many sidedness.

The HSWP Central Committee will be informed about the work of the sub-committee at its forthcoming session on March 7, and the study is to be published shortly in the special issue of "TARSADALMI SZEMLE" (Social Review).

Baranyai Details Social Democratic Platform

LD0103184089 Budapest Domestic Service in Hungarian 1730 GMT 1 Mar 89

[Text] The Social Democratic Party has announced that it will join the Socialist International. The party had its mass rally, at which it also declared its program today. Tibor Hollauer interviewed Tibor Baranyai, a leader of the Social Democratic Party, before the meeting.

[Begin recording] [Baranyai] We are the inheritors and the followers of the old Social Democratic movement. We have prepared a short party platform which we will make public.

[Hollauer] What is the character of this program? Is it an economic policy one or a general one?

[Baranyai] It is a general political program but it still contains one or two important issues—for example, the one according to which we would like to attain the sovereignty and neutrality of our homeland by eliminating military blocs. Also, there should not be a party organization in the Army or the police. Ideas similar to these are being discussed here. Here is a copy for you to look at.

[Hollauer] Thank you. Are you prepared for the fact that the approximately 800 people gathering here might, in a given moment, not agree to this program and vote against it?

[Baranyai] There will be no vote here, but it will be obvious from the behavior of the audience that they will very much agree. We live with the Hungarian people, and we know how they are thinking.

[Hollauer] In 2 days we will sit down with the MSZMP for a coordination meeting. To the best of our knowledge, the presence of radio correspondents at this meeting is considered undesirable.

[Baranyai] This exclusion was not addressed to radio correspondents. Nor did we consider the presence of the press and television at this first consultation—which is of a rather informative character—to be necessary, because we know what we want to say, but we do not know what Comrade Fejti of the MSZMP will say.

[Hollauer] Is it good propaganda for you to hold negotiations with the MSZMP at this stage of the work of the party [the Social Democratic Party]?

[Baranyai] No. It is necessary, however, because the Social Democratic Party used to have 40 offices and its own press, which we would like to reacquire. We want free elections, and after the elections we shall see the degree of strength we represent. [end recording]

Independent Groups Demonstrate for Havel Release

LD0203185589 Budapest Domestic Service in Hungarian 1730 GMT 2 Mar 89

[Text] [Announcer] At the initiative of independent organizations, a demonstration began this afternoon on Vorosmarty Square in Budapest for the release of Vaclav Havel and other intellectuals who were imprisoned because of the January events in Prague. Zsolt Bocskai has arrived in the studio from the scene of the demonstration.

[Bocskai] The leaflet calling for a solidarity demonstration was signed by nine organizations: the Bajcsy-Zsilinszky Friendship Society, the Independent Smallholders' Party, the editorial staff of HIANY [Shortage], the Network for East-West Dialogue, the Hungarian Democratic Forum, the Republican Circle, the Alliance of Free Democrats, the refugee committee, and the Free Democratic Youth Circle. At first a letter addressed to the ambassador of the CSSR was read out to the 1,000-1,500 participants. In this it is stated, inter alia, that what took place in January and February on Wenceslas Square in Prague, the dispersal of the demonstrations and the subsequent arrests, contradicted both the Helsinki accords and the principles accepted at the Vienna follow-up conference.

The letter noted that these verdicts violate basic human rights. Robert Braun, member of both the Raoul Wallenberg Society and FIDESZ [Federation of Young Democrats], said that the letter had been received by the CSSR Embassy.

The prisoners' crime was having wanted to place flowers on Wenceslas Square and having wanted to commemorate the self-immolation of a student, said writer Gyorgy Konrad. Konrad spoke, drawing a parallel between Vaclav Havel and the British writer Rushdie, who recently received death threats. According to Gyorgy Konrad, both of these persons are captives of ideology.

The Czechoslovak human rights movement Charter 77 welcomed the demonstration. In their letter, they pointed out that Czech democracy is not just a matter for Czechoslovakia, but also for its neighbors. Vaclav Havel's wife greeted the Budapest event on his behalf.

In conclusion, a young person speaking on behalf of the European Parliament delegation stepped up to the microphone. He said that they considered the good relations between East and West that are developing day by day, to be very important, but that the dialogue taking shape could not be sincere as long as people are harrassed and imprisoned for political reasons in any of the countries.

After the demonstration had ended, I learned from the organizers that roughly 400 people had already signed the petition proposing that Vaclav Havel be awarded the Nobel Peace Prize.

Romanian Emigres Reunited With Children

LD0303094589 Budapest Domestic Service in Hungarian 0600 GMT 3 Mar 89

[Text] According to the latest MTI report, the first family reunifications have taken place. Parents who had fled to Hungary have been reunited with their children in Transylvania. At the Csengersima border crossing, three small children were received from Romanian authorities by their parents, who settled in Hungary 1 year ago.

The passport requests for the children had been submitted to officials in Bucharest by relatives who had stayed behind. This is what led to the family reunifications. At the same time, so far no response has been received to the family reunification request addressed to the International Red Cross.

Conscientious Objectors Released From Prison

LD0103181289 Budapest Domestic Service in Hungarian 1730 GMT 1 Mar 89

[Text] The 70 young men who were imprisoned for refusing military service on the grounds of conscience and religion have been released from (?Baracska) Prison. Their punishment has been suspended with the proviso that they will only be freed from the consequences of their loss of liberty once the modified Defense Law comes into effect. The release of the young men was made possible by the fact that the government took a stand in favor of introducing the so-called civilian military service.

Commercial Banks To Join Foreign Exchange Market

LD0103185889 Budapest MTI in English 1602 GMT 1 Mar 89

[Text] Budapest, March 1 (MTI)—As a first step towards creating a limited foreign exchange market in Hungary, as of March 1 commercial banks will join the National Bank of Hungary in conducting foreign exchange transactions. Some 80 per cent of foreign payments will remain with the National Bank of Hungary, and the remainder handled, on an earlier commission, by the Hungarian Foreign Trade Bank, the National Savings Bank, the General Banking and Trust Co., Unibank, Central European International Bank and Citibank. The next stage is to be the transfer of payment commissions to the competence of the commercial banks.

Despite the continuous decentralization of foreign exchange transactions, for the time being foreign exchange management remains with the National Bank. The bank is allowed to adapt forint rates within a narrow margin against hard currencies.

Kiszczak, Walesa Discuss Roundtable Progress

LD0203184989 Warsaw Domestic Service in Polish 1800 GMT 2 Mar 89

[Text] We have just received news relating to today's meeting between General Czeslaw Kiszczak and Lech Walesa. The cochairmen of the working teams of the roundtable participated in this meeting: Bronislaw Geremek, Aleksander Kwasniewski, Tadeusz Mazowiecki, Janusz Reykowski, Romuald Sosnowski, and Witold Trzeciakowski. Zbigniew Bujak, Stanislaw Ciosek, Andrzej Gdula, Mieczyslaw Gill, Wladslaw Frasyniuk, Janusz Jarlinski, Lech Kaczynski, Ireneusz Sekula, and Jerzy Uzieblo also took part. Representatives of the church took part in the meeting: Bishop Tadeusz Goclowski and Father Alojzy Orszulik.

The meeting reviewed and evaluated the results of the roundtable talks so far. It was stated that there has been a convergence of views on many issues. Divergences and difficulties were also discussed. It was agreed that General Czeslaw Kiszczak and Lech Walesa will address the participants of the roundtable with a request to accelerate the tempo of work in the teams and subteams, so that the second plenary roundtable meeting can take place in the second half of March, and also so that the process of bringing to life the key decisions worked out in the course of the dialogue can begin.

Talks Termed 'Step Forward'

LD0203201289 Hamburg DPA in German 1851 GMT 2 Mar 89

[Excerpt] Warsaw (DPA)—Lech Walesa, chairman of the banned Solidarity trade union, on Thusday described his exchange of views with Interior Minister Czeslaw Kiszczak as "a step forward." After more than 8 hours of talks, in which the chairs of the working groups in the roundtable conference also took part, he said that the objective had been to remove political barriers. "We managed this to some extent, and to some extent not." He was more optimistic after the meeting than he was this morning before the conference. [passage omitted]

Reportage on Meetings of Roundtable Subteams

Subteam for Mining Meets

LD0203232289 Warsaw PAP in English 2250 GMT 2 Mar 89

[Text] Warsaw, Mar. 2—The roundtable's subteam for mining met for the fourth time here today. Government press office representative Zbigniew Augustynowicz told PAP about the session:

The group discussed work on free Saturdays. Rajmund Moric said that a bilateral meeting of the federation of trade unions of miners and the coal mining community will be held in Katowice later today.

Piotr Polmanski said next that one cannot be satisfied with half-measures or hesitate to take radical solutions. We have no more strength or inclination, he said, to shoulder a tremendous effort of dragging our economy out of crisis, especially as there are no clear guarantees that the miners effort will not be wasted.

Marian Peterko said that the trade union movement favours a full civil freedom under which the worker should choose for himself whether to work or not on a day off.

Edward Puszczewicz pointed out that while concentrating solely on the mining industry problems one must take into account the supreme cause: the improvement of the socio-political and economic situation of Poland. The basis for correct development of the economy and its re-structuring is the need to produce the necessary quantity of energy. Miners extract coal which serves the entire nation, every family. Under the present situation all expert reports confirm the necessity to maintain the extraction at the level of 190 million tonnes per year. If the decision is taken that all Saturdays are off in mining industry the extraction will fall by over 30 million tonnes.

The subteam appointed a working group to develop a position on the working time in the extracting industry.

Preliminary discussion of the economic-financial system in mining was the last item in the agenda.

Mining Chairmen Comment

LD0303040989 Warsaw PAP in English 2313 GMT 2 Mar 89

[Text] Warsaw, Mar 2—Co-chairmen of the subteam for mining told PAP:

Marian Gustek: I think that our subteam is to solve three basic problems worrying the community of miners: Working time, economic-financial system and, related to it, organisational structures in the mining industry. If we reach agreement on these points, the other issues will not be difficult. While discussing the miners working time today, all the sides agreed that miners should work 5 days a week. On the other hand it is obvious that with this solution it is impossible to guarantee sufficient extraction for national economy. So we have to seek a compromise.

Rajmund Moric: Today we have discussed the problem of working time in mining industry. It is a complex question. Social reasons and, first of all, strenuousness of the miners work speak for a 5-day working week. Because of various reasons, until the end of 1988 by administrative compulsion and from the beginning of this year by economic necessity, the mines have in fact worked Saturdays and even Sundays. We agree that mines cannot be closed two days a week but we want the possibility to choose. The miner should decide for himself if he wants to work in his free time.

Alojzy Pietrzyk: The talks get stuck every now and again. The government side does not come with ready, concrete solutions but puts off the problems for the years to come. So, the subteams' work turns into a discussion club instead of producing concrete solutions. For us representatives of the worker crews this is unacceptable. The positive thing is that we seem to have solved a few urgent problems.

I think, that a major problem to be solved is rational use of coal. We believe that the level of extraction is at present determined by wasteful use of coal. Instead of trying not to shorten the working time of miners, we must consistently go ahead with the fuels and energy saving programme.

Subteam for Housing Meets

LD0303234289 Warsaw PAP in English 2302 GMT 2 Mar 89

[Text] Warsaw, March 2—The "round table" subteam for housing policy held its third meeting, here, March 2nd.

The discussion at the meeting was dominated by questions of necessary conditions for implementation of housing programmes and plans. Topics dealt with by the subteam today included problems of production and supply of construction materials and goods, preparation of building lots, personnel and organizational problems.

Those gathered were of a concordant opinion that the supply of materials and goods for the construction industry was far from sufficient at present.

As a step forward the meeting viewed the 10 year income tax exemption of the producers who increase or undertake the manufacture of building materials and products which are in a very short supply. This, however, is only a partial solution. Therefore, the meeting put forward a suggestion to grant tax exemption to the producers of any building materials and products.

Members of the subteam called joint working groups to spell out a draft of the final document and the stance and decided to discuss them at the next meeting.

Ecological Subteam Debate Held

LD0303040189 Warsaw PAP in English 2319 GMT 2 Mar 89

[Text] Warsaw, March 2—The round table sub-team for ecology debated today her under the co-chairmanship of Jerzy Kolodziejski and Stefan Kozlowski.

Today's discussion concerned inter alia such issues as presentation of a concept of active cooperation in border areas with neighbouring countries and the procedures of agreeing on locating investments situated near the borders.

The session stated that conditions should be created for development of small-scale power production like small power stations and water and wind-propelled power stations as well as other facilities built by small enterprises and private persons.

Much attention was paid to the problems of health situation of the young generation in the areas of ecological threat such as Silesia. The health topic is linked with the discussed issue of healthy food.

The All-Poland Alliance of Trade Unions OPZZ forwarded a proposal to make a list of enterprises which should be closed down due to their destructive influence on enviroment.

The issues of forestry and protection of forests were a controversial topic.

The next session of the sub-team will be held on Friday, March 3.

Group Issues Draft on Debt

LD0203220389 Warsaw PAP in English 1947 GMT 2 Mar 89

[Text] Warsaw, March 2—The "round table" working group, selected by the team for the economy and social policy, agreed upon a draft provision on overcoming the indebtedness barrier today.

The draft provision says that Poland expects understanding and support from Poland's foreign partners in East and West for the turning-point made in all areas of public life and that solving Poland's indebtedness is one of the conditions for building prosperity and stability of entire Europe.

The draft will be submitted to the team's debates.

OPZZ Stands on 2 Mar Subteams Presented

LD0303035789 Warsaw PAP in English 0059 GMT 3 Mar 89

[Text] Warsaw, Mar 2—When opening a press conference at the OPZZ office Thursday Jan Ciesielski told journalists that the subteam for mining in whose work he had taken part did not hammer out a standpoint on the 11 discussed questions.

The greatest controversy is still around work on free Saturdays. The OPZZ, he said, represents a view that under the present situation in economy and energy production work on Saturdays cannot be given up because this would lead to a 30 million tonnes slump in annual coal extraction. We favour work on free Saturdays but on a voluntary basis.

Krzysztof Andrzejczyk, who took part in the discussion of the ecological subteam told the conference that the opposition-Solidarity side had proposed to the coalition-government side to close down about a dozen most-polluting plants still this year. The OPZZ proposes that such decisions should be the last resort employed after a thorough analysis of the economic and social costs. OPZZ representatives at the same time think that factories in Czechoslovakia and the GDR should share the costs of repairing the losses caused by pollution coming from them. The Polish Government would undertake preventive measures.

Zbigniew Janowski of the subteam for housing policy said that as a matter of fact none of the sides involved feels responsible for the present situation in house building.

OPZZ Proposals on Social Consensus 'Humoristic'

LD0103171289 Warsaw PAP in English
1508 GMT 1 Mar 89

[Text] Warsaw, Mar 1—A commentator of the UPP [United Peasant Party] daily termed the proposals of OPZZ (All-Poland Alliance of Trade Unions) concerning social consensus as humouristic.

Jan Machynia of the DZIENNIK LUDOWY said that OPZZ proposals are deprived of links with reality and "were not formulated to cure that which needs a cure but to appeal to emotions and those most primitive ones."

The author suggested that we follow the OPZZ way of thinking. In view of the OPZZ postulate to drop investment projects planned to be finished in 1992 or to levy a higher tax on farming, Machynia says: "Let us suspend the realization of housing projects until every man-in-the-street gets the keys to his own apartment. Let's not pay salaries and wages until each of us earns half a million (the sum is negotiable). Let us liquidate farming until it supplies more produce to the market."

Jan Machynia quoted one OPZZ v.i.p. as saying that as far as social agreement is concerned, the postulates of Solidarity and those of the government-coalition side are concerted, whereas OPZZ has assumed a critical attitude to it because OPZZ aims at "the good of working people".

Rakowski Addresses OPZZ Council Session

AU0103143789 Warsaw TRYBUNA LUDU in Polish
24 Feb 89 p 2

['Abridged version' of speech by Premier Mieczyslaw F. Rakowski at a meeting of the OPZZ Council in Warsaw on 23 February]

[Text] There is no doubt that we are living through a very difficult period in the history of People's Poland, an attempt to create a new political and economic order on the basis of socialism. We have completed a certain stage of socialist construction in Poland. We have exhausted all the values that nourished us, or most of them in any case. Today we are trying to create a new social and political order. This is a very difficult task, and not everyone is capable of dispensing with the practice and way of thinking that developed over entire decades.

I personally think that the "roundtable," an attempt to install the opposition in this new social order, was and remains an objective necessity. If we did not hold this "roundtable" today, sooner or later our country would enter a phase of profound turmoil. By deciding to hold this "roundtable," we have quite simply recognized the Polish reality. Therefore, I will continue to support the "roundtable" as an attempt to reach an accord between various forces in Poland.

However, this does not release me from the need to cast a critical eye over some of the phenomena at or accompanying the "roundtable." Is there a danger that the talks will end in a fiasco? To tell the truth, every politician must consider such a possibility. However, I am convinced that a certain level of accord will be reached at the "roundtable." That does not mean that we are entering an idyllic period, for one has to know the intentions of every side taking part in the talks. As a premier and party member, I am mainly interested in the opposition, and that is natural. I think that deep inside the opposition there are still people who would like to achieve the kind of conditions that might lead to a change of system in the future. In any case, most oppositions possess a similar desire, and I see no reason why our opposition should consist of nothing but altruists and apostles of socialism. In any case, many members of our opposition do not even want to utter the word "socialism." Do they hold it in contempt?

The opposition wants to make its presence felt in Poland and inject its ideas into the minds of people. For this purpose, they say things like: There is nothing but scorched earth behind us, and we are the ones who are only just starting the process of democratization; we are the ones who will make the state democratic and reform the economy.

This creates the impression that so far we have been in a terrible state of political backwardness all the time, and that we have never thought about either the present or the future. It makes it look as if only the arrival of the opposition will make changes to these outdated structures. In fact, we, that is the PZPR, have been reforming the socioeconomic system for years, and we will not let a group of intellectuals that control "Solidarity" take the credit for this. At the "roundtable" and "mini-roundtables" one can see what influence these intellectuals have. I am opposed to glossing over the idea that nothing that has happened so far has had anything to do with democracy and common sense.

The opposition bears grudges against me, and is saying directly that the Rakowski government wants to forestall the outcome of the "roundtable." It claims that this government wants to create as many faits accomplis as

possible, especially in the economic sphere. If I were to submit to these accusations, what would happen? It would be necessary to send the authorities on vacation and wait for some unknown concept to be worked out. Unfortunately, I see shades of 1981 in this. In that year, the entire effort of the opposition was aimed at creating chaos inside the government. If that is also what the opposition wants today, then I wish to tell them that they need not expect the government to surrender to such demands. I also see shades of 1981 in the present demands for social control, in other words the demand that the government should dance to "Solidarity's" tune. In any civilized country, social control is exercised by constitutional bodies. I will not let the PPR Government be hounded at every step.

The demands I am talking about today remind us of those put forth by the Polish nobility thoughout the ages. For hundreds of years, there was never a strong Polish authority. Every single new authority immediately became weak, and there were tremendous efforts to weaken it. We all know what the outcome was. I am afraid we are returning to that practice. I find it odd that the two classes that were exploited under capitalism and have assumed power under socialism are continuing the "wonderful" traditions of the nobility, including the principle of liberum veto. When one reads what they write or listens to what they say, one marvels at the number of rehashed views and the constant repetition of ideas that once led to Poland's downfall. I admit that sometimes I am powerless in the face of this competition for power. Sometimes I am dismayed by the direction in which we as a society are heading.

I believe that opening the way to political and trade union pluralism was an objective necessity. However, that does not mean I am going to conceal my identity and individuality. Sometimes it happens that we lose our identity and individuality along the road to accord. Because the opposition insists that I wish to settle everything away from the "roundtable," I repeat that I am a firm supporter of these talks, but under one condition; everything should be based on realism. If the proposals made at the talks are not realistic, if they are not based on an honest assessment of the situation, then they will remain empty words.

Right now, a wave of demands is spreading through Poland. These are economic and political demands. I think we should prepare to face these demands, and consider how to react to the second category of these. We have to know how to react, because the justified demands are interspersed with demands that bear no logic or justification whatsoever.

One more week of strikes, or another 2 weeks of strikes, and that will be the end of us. Our dreams of reform will end. Our dreams about the possibility of controlling economic processes will be over. I do not even want to think about what would happen next. In any case, the strikes and accompanying social tension will erase all our plans to gradually heal the economy. There is no alternative to these plans. Everything will quite simply be wiped out.

The Western countries' attitude toward Poland has been changing recently, and there is nothing trivial about that. I met with President Mitterrand twice in 3 weeks. He promised that he would support Poland's case in the Paris Club. However, if the strikes in Poland multiply and destabilization sets in, we will not expect any change in Western policy toward us. If any of you were capitalists, I am sure you would not invest in a country that displays permanent instability. What is happening right now is very harmful for the nation and for Poland. For example, we welcome the law that permits foreign investments in Poland, but who is going to invest in a country with industrial strife? We keep stirring the national cauldron all the time, and new ideas keep cropping up, increasingly unrealistic ones. This really makes a person bewildered. Poland really is being strangled by a noose of debts.

Finally, I would like to say a few words about government-OPZZ relations. I would like this marriage to last as long as possible. I would like the trade unions represented by the OPZZ to be a permanent pillar of support for the government. I am not saying this just because of the present situation. I can quote many examples in other countries where the trade unions are a source of government support. In Great Britain, the trade unions strongly support the Labour Party; the DGB supports the Social Democrats in the FRG. The unions are a force that supports a certain party.

You want reciprocity. I am in favor of it very much, but please bear in mind the habits that have taken shape over past years. One requires patience. I do not think society's consciousness can be reshaped so quickly, not even in the space of 10 years. That is impossible, because an entire generation has grown up under certain traditions and in a certain climate.

I really believe that the present trade unions are the only support for us. To put it more clearly, I consider these trade unions to be our only real ally. I know things are difficult for you and that you are impatient, but please acquaint yourselves with the whole of this reality, and together let us decide on what is real. If we start arguing in front of everyone and exacerbate the present discrepancies, many of which are natural in any case, no one will achieve anything, neither you nor the government.

We must realize that our possibilities in remodelling our system in accordance with the needs of the times depend on how we act in the coming months and years. If we fail, history will say that we have not proved equal to the tasks. I would like us to trust each other more. You certainly bear the government many grudges. Some of them are certainly justified. However, I also bear you a few grudges. All this is normal. The important thing,

however, is that we should find a common language in basic issues, in other words in making an economic assessment and in assessing our own possibilities. The second matter, in fact it is a question, is: Are we capable of undertaking joint action for the sake of the country's stability? The crisis of consciousness has definitely been with us too long. If it continues for a few more years, who knows what will be in store for us. In any case, it will be nothing good, for I see no possibility of increasing production when there is tension and strikes.

Further on Stike Situation Throughout Country

Lublin Meat Workers Return

LD0203114589 Warsaw PAP in English
1126 GMT 2 Mar 89

[Text] Lublin, Mar 2—After a three-day strike, workers of the meat processing plant here resumed work this morning. At the base of the strike there were pay claims. The sides signed an agreement on suspending the strike till March 7, by which time the board of managers will have put forth wages, for every worker individually, calculated according to new rates.

Daily on 24 Feb Situation

AU0203155189 Warsaw TRYBUNA LUDU in Polish
25-26 Feb 89 p 6

[PAP report: "Collective Disputes at Work Places"]

[Excerpts] Strikes and protest actions, mainly involving wages, commenced or continued at various workplaces all over Poland on 24 February.

A strike at the "Izolacja" mineral wool plant in Cigacice was into its second day, caused by major disproportions between wages in different departments. [passage omitted]

The employees of the Gorzow deport of the State Bus Enterprise commenced a protest action on 24 February, hanging banners on buses and out of the windows of buildings. They want wage rises in connection with their long working hours, which often amount to 230 and even 300 hours a month. "However," said Krzysztof Czestochowski, deputy director of the depot, "it is quite impossible to fulfill any wage demands, because in order to do so, we would have to achieve a financial profit of Z1.7 billion. Yet, in the meantime, with all the long hours put in by our drivers, we have only achieved a profit of Z400 million."

Another dispute involves farmers in Lapy, who supply milk to the District Milk Cooperative. They are demanding the adoption of uniform criteria when assessing the quality of milk, and insisting that testing milk for the presence of bacteria be discontinued. They fear that the results of these tests are being faked, as proof of which they quote the results of the latest tests whereby over half the quantity of milk supplied to this cooperative in recent days was given a category 2 rating.

Truck drivers and technical servicemen at the Kozennice state road transport depot failed to turn up for work on Thursday. They were joined by bus drivers on Friday. The strikers are demanding higher wages, new rules governing bonuses, extra bonuses for hauling trailers, and so on. [passage omitted]

On 24 February, worked stopped at the "Pamotex" cotton plant in Pabianice. The director, Ryszard Augustyniak, explained that out of 4,200 employees, 3,000 are on strike. The strike committee has formulated 22 demands, including monthly pay rises of Z25,000 per person and the legalization of "Solidarity."

On the same day, buses of the municipal transportation enterprise never left their depot in the morning. Thousands of people were late for work. The drivers are demanding pay rises. The hourly rate of pay is between Z148 and Z210, but they want Z300, plus bonuses for workfree Saturdays and holidays. [passage omitted]

There has been a sit-in strike at the brewery in Sierpiec since 22 February. Some 75 employees of the repair and overhaul department are putting forth wage demands, and also calling for the possibility of earning extra income. These men have been "unemployed" since the fall, and have nothing to do except clean machinery and sweep floors. Because previous talks with the director of the brewery in Okocim, which is in charge of the Sierpiec brewery, have failed to create possibilities for extra work, the workers of Sierpiec felt obliged to adopt this drastic course of action.

The urban authorities of Sierpiec believe there is enough work to be done in Sierpiec itself. However, the brewery management must give its permission, which it has still failed to do.

1 Mar Situation Reported

LD0103231189 Warsaw PAP in English
2227 GMT 1 Mar 89

[Text] Warsaw, Mar 1—Pay demands continue to be the main cause of disputes in some enterprises. Protest actions and strikes were reported in many places across Poland today.

Workers of the Marchlewski cotton works in Lodz went on a sit-in strike starting from the second shift today. Dispute continues in the road transport PKS branch in Sedziszow Malopolski where more than 100 buses do not leave the depot.

600 workers of another PKS branch in Rzeszow are working regularly. But there, too, a strike alert has been proclaimed together with demands of more pay.

A meat industry plant in Lublin has not worked the third day today because its workers want wages increase the factory cannot afford. Negotiations are underway.

Strike in the machinery and transport section of a construction plant in Szczecin which began three days ago has now spread over the whole enterprise. Cement transport and forwarding agency in Szczecin is still not working just as some 150 workers of two departments of the "Zamech" in Elblag where talks have been resumed over the crew's wages demands.

Postulates of higher wages were also negotiated at the machinery section of the recently opened construction enterprise in Kwidzyn where a group of about 90 workers are on strike.

A strike at a sanitary repairs and cleaning enterprise in Gdynia ended in signing an agreement and suspending strike action till April. Also today work resumed at the cellucotton producing plant in Milowka which is part of the paper factory "Solali" in Zywiec.

Wednesday saw the end of a sit-in strike in the cotton factory "Pamotex" in Pabianice where agreement was reached on wages, extra bonuses, and pay for overtime hours. A dispute in the construction enterprise in Slupsk came to an end, too, as workers and administration concluded negotiations on wages.

3 Mar Strike Situation

LD0303110589 Warsaw PAP in English 0155 GMT 3 Mar 89

[Text] Warsaw, March 2—Pay demands and problems of work organization and social benefits—these are the main sources of labour disputes which were either continued or started on this March 2nd at some work establishments. Negotiations were conducted to solve the existing conflicts. In some cases they ended in a success today.

Postmen in the central Polish city of Lodz declared a strike alert and stopped to deliver newspapers and magazines to individual subscribers. The strike committee, sponsored by the trade union of employees of the voivodship post and telcommunictions office, put forward some postulates including a rise in monthly wages. The postmen said that if by this half-March the negotiations did not bring any result they would go on a general strike and stop to deliver any correspondence in the Lodz Voivodship. The employees of the zootechnical experimental farm at Kolbacz near Szczecin terminated their week-long protest action after they won a pay increase. Work went on without stoppages during the protest action.

The strike alert was called off at the Violetta Cristal Glass Works in Stronie Slaskie, Walbrzych Voivodship after an agreement was signed between the works' trade union organisation and the management of the works.

Prosecutor on Causes of Bialystok Priest's Death

LD0203204289 Warsaw PAP in English 1710 GMT 2 Mar 89

[Text] Bialystok, March 2—The case of the death of Father Stanislaw Suchowolec of the Roman Catholic parish in Bialystok, eastern Poland, is still being investigated. Tadeusz Sabat, the press spokesman of the Voivodship Prosecutor's Office in Bialystok briefed PAP on the investigation. Excerpts:

The opinion issued by the Forensic Medicine Department on February 20 states that no volatile poison, drugs or organic poison were found in Suchowolec's blood. Blood tests did however indicate a content of 58 percent of carbon oxide. A double blood test indicated 1.5 promilles of alcohol. 1.8 promilles of alcohol was found in the urine.

The case files also include a protocol from the post mortem carried out on the priest (external and internal examination) at the Forensic Medicine Department of the Medical Academy in Bialystok which was attended by representatives and a plenipotentiary of the archbishop's curia in Bialystok. The experts stated that carbon oxide poisoning was the cause of father Suchowolec's death. The presence of soot in the respiratory and digestive tracts goes to show that the priest inhaled air contaminated with carbon oxide for a closely unspecified amount of time.

We concluded examinations of the priest's dog which was also found dead. It has been stated in their wake that the contents of carbon oxide in the animal's blood totalled 60 percent. Carbon oxide poisoning was the cause of death, in the opinion of experts. At the same time chemical-toxicologic tests did not reveal the presence of other toxic matter.

In the coming days we expect to receive written opinions of experts on fire fighting, electricity, chemical tests and others. Moreover, tests are still being carried out on samples taken during an on-site inspection after the fire. The Prosecutor's Office will receive the results of these toilsome expertises in the first half of March.

It is expected that the investigation will be concluded this month.

Bulgarian Paper Interviews Industry Minister

AU2102141089 Sofia RABOTNICHESKO DELO in Bulgarian 20 Feb 89 p 7

[Interview with Mieczyslaw Wilczek, Poland's minister of industry, by Dimitur Deliyski, "RABOTNICHESKO DELO special correspondent,": "'There Is But One Solution—Work and Efficiency'"—in Warsaw, date not given]

[Excerpts] Many people in Poland and abroad think that the appointment of Prof Mieczyslaw Wilczek as minister of industry was the most surprising "move" of the new

Premier Rakowski. This was not because his name was unknown, but because of the specific character of his fame. For 15 years Prof Wilczek has been the owner of a prospering industrial enterprise, and people even call him a millionaire, despite the fact that it is not very difficult to be a millionaire in Poland. In the last 10 years the zloty has been devalued so sharply that to have several millions does not mean so much. Well, of course it matters precisely how many millions. [passage omitted]

[Deliyski] The Polish economy is in a difficult situation. As the new Polish minister of industry, what is your strategy to stabilize the economy and overcome the negative processes?

[Wilczek] One must understand that our inflation is not of the classical variety. The people have money, but there are no goods in the stores. We must ensure goods. The only way of doing this is to invest the extra money. We must create conditions for constructing thousands of new enterprises—state and cooperative enterprises, associations, and private enterprises. Naturally, these enterprises will produce more goods, and the people will reinvest. There is no other way of overcoming inflation. We must create a balance whereby a wage increase is connected with a price increase. Right now the "gap" between a price increase and a wage increase is too big.

[Deliyski] Will you succeed in blocking this process?

[Wilczek] We have no other choice. The payment of our annual foreign currency debts influences the pace of inflation. Every year we pay $2 billion in interest, without being able to reduce the basic amount of our debts. According to the official rate of exchange, this amount equals Z1 trillion. This is also the grand total of our inflation. In other words, this is the amount of our monetary demand which is not met by a supply of goods. [passage omitted]

[Deliyski] The "Roundtable" talks have been continuing for 2 weeks. You are a member of one of the commissions. If it is no secret, what are the results of the commission's sessions?

[Wilczek] For the time being, we only exchange opinions. The opposition presented unrealistic demands. This is easier for the opposition, because it is not in charge of solving the problems. In addition, the strikes, which the opposition openly or secretly organizes, prevent the solution of the problems. The "Roundtable" talks do not halt the activity of the government. We do not reject the sensible demands of the opposition; however, we take the real possibilities into consideration. We would like to achieve certain agreements in the spirit of political pluralism. The opposition will probably join the Sejm as a result of the new elections. We have nothing against this—let them act through the Sejm and not by unconstitutional means.

[Deliyski] Next week (this week—author's note), you will visit Bulgaria. What do you expect of your visit to Bulgaria?

[Wilczek] I will visit your country at the invitation of Minister Stoyan Ovcharov. In addition to all issues related to our industrial cooperation, we shall also discuss broader cooperation in the area of electronics. Bulgaria has a high level of electronics. However, the future of electronics lies in creating a comprehensive gamut of subsystems, and we would like to achieve a certain division of labor. It would be beneficial if the visit could end with the signing of a document and the establishing of joint enterprises. Cooperation in biotechnologies is the other issue that interests us. We know that in this area you also have major achievements. In addition, I think that my visit will have an informative character—I shall brief the Bulgarian side on our experience in developing the private sector. We must realize that this sector has an important role in developing modern production. The large production enterprises cannot organize the production of many articles, for both market and industrial consumption. World experience shows this. This means that we must search for an alternative solution. However, these enterprises must develop on the basis of modern techniques and technologies, as highly efficient production structures.

[Deliyski] I must admit that notes of pessimism, if not an impasse, were evident in my other conversations in Poland. The position of Minister Wilczek also did not paint a rosy picture. However, he presented a realistic position and displayed firm confidence and steadfast determination to act. It appears that this is what the country needs now.

Commentary Views Secretary Baker's NATO Tour

AU2802160989 Warsaw TRYBUNA LUDU in Polish 21 Feb 89 p 7

[Article by Zbigniew Broniarek, TRYBUNA LUDU Washington correspondent: "Why Is the West Interested in Stabilization in Poland?"]

[Text] Mrs Rozanne Ridgway, assistant secretary of state for Europe and Canada, met with foreign journalists in Washington on 8 February, 2 days before President George Bush's visit to Canada. Our questions concerned Europe and Canada to an equal extent, because James A. Baker, the new secretary of state, was leaving Ottawa on a visit to all the NATO capitals (from 12 to 18 February).

Although Mrs Ridgway usually provides a fair number of details at her press conferences, this time she was rather uncommunicative. No wonder, she is leaving the State Department on account of the new administration, and was going to Canada and the NATO countries only because Bush and Baker had still not appointed her successor.

However, one thing she said was very significant. Because she said that East-West relations were going to be one of the subjects of Bush's talks with Canadian Prime Minister Brian Mulroney, I asked her to expound this topic in connection with Baker's trip to Western Europe. She said: Secretary Baker is going to devote particular attention to the priorities of our allies in this respect.

Emphasis was laid on the word "priorities," because the priorities of the United States are different to those of the West European countries. Jim Hoagland, WASHINGTON POST's Paris correspondent, made this clear when he quoted in his paper's 12 February edition from an open letter from Nicholas Ashford, editor in chief of the London INDEPENDENT, on the subject of Baker's arrival in London. Ashford had written: "The changes in Soviet domestic and foreign policy are a chance to bring down the barriers that have divided Europe for almost one-quarter of a century. We no longer see the Warsaw Pact countries as a threat, but as a region that wants Western ideas, Western exports, and Western tourists."

Views like this cause dismay in some Washington circles, especially when it comes to the FRG. James A. Thompson, vice president of the Rand Corporation, quite a "hawk-like" research institution of the Pentagon, said the following at a 9 February hearing by the Senate subcommittee for budgetary defense funds: "Views about a Soviet threat have diminished radically, especially in Western Europe, and even more so in the FRG." Thomson thinks this is the direct result of Gorbachev's 7 December UN speech, in which he announced a unilateral Soviet decision to reduce USSR Armed Forces in Europe, which led to similar decisions in other Warsaw Pact countries.

These reductions mean more than just numbers. Speaking before the same committee, John Steinbruner, senior research employee at the liberal and prestigious Brookings Research Institute, drew attention to the nature of these reductions. "The new concept of security contained in Gorbachev's policies is very attractive for Western Europe because many features of his policies have been borrowed from the West," he said. In other words, Gorbachev is reducing Armed Forces not for the sake of a reduction per se, but only in answer to fears in the Western part of our continent. Hence Chancellor Helmut Kohl's statement in an interview for the FINANCIAL TIMES on 10 February, whereby the FRG wants to postpone a decision on modernizing shorter-range nuclear weapons for 1 or even 2 years. Such a decision was originally planned for the summer of 1989, but now Kohl wants to decide by the summer of 1990 or even 1991.

There may be many reasons why Kohl has taken this decision. One reason might be the December 1990 elections in the FRG, whereby it might be safer to leave decisions like this until after the elections. However, Washington points to two major reasons. Steinbruner mentioned one of them. He said that the FRG's interest in Gorbachev's ideas, especially the reduction of conventional weapons in Europe, "is the result of the drastic decline in the number of FRG citizens fit to serve in the Army, a decline which can only lead to a reduction in active West German Armed Forces."

The second reason is connected with the situation in Eastern Europe. Washington believes that the only reason why Western Europe, especially the FRG, is interested in detente in Europe is that only under detente will the countries of Eastern Europe be able to implement their profound economic reforms. According to Washington, if these reforms fail, there may be unrest, which may lead to a new wave of refugees whose first destination will be western Europe, including the FRG. These refugees will have to be fed and accommodated.

"In this respect, there is an enormous difference between Western Europe and the United States," an acquaintance of mine working for the U.S. Immigration and Naturalization Service told me. "We are separated from Europe by an ocean, and we are capable of controlling the influx of East European refugees to a large degree, placing all sorts of barriers in their way. However, there is no Atlantic separating Eastern and Western Europe. Western Europe has to accept these refugees, especially because they usually say that they are 'searching for freedom.' And yet the West does not want them at all."

That is true. However, here in the United States there is an increasingly tangible desire for Eastern Europe to be stable, and not a powder keg. Various facts indicate this. For example, at the daily press conferences held by Charles E. Redman, State Department press spokesman, there is always a female journalist who keeps asking about Poland. One gets the impression that, taking advantage of the "roundtable" talks but not actually approving of them, she wants to make Redman say something that would stir up the situation in Poland. At his 9 February press conference, having been asked two questions in a row on the same subject by the same female journalist, Redman replied politely, but firmly: "The State Department issued a statement on the day the 'roundtable' talks started in Warsaw. If you are so interested in these talks, please ask the sides taking part in them. I see no need to comment on them every single day."

Liberal Groups Propose Reforms in Government

AU2102211289 Warsaw PRZEGLAD KATOLICKI in Polish 5 Feb 89 p 7

[Article by Lech Mazewski: "The Liberal Alternative"]

[Excerpts] By the efforts of the community of (——) [passage removed by censor] (Law of 31 July, 1981, on the Control of Publications and Spectacles, Article 2, Item 6—Official Gazette No. 20, Item 99, amended 1983, and No. 44, Item 204)—of a letter from Gdansk liberals, there was a session entitled "Laissez-Faire—A Liberal Alternative" in Gdansk on 10 and 11 December 1988. [sentence as published]

Apart from the Gdansk community, the session involved representatives of liberal alternatives groups, including those from Krakow (the Krakow Industrial Society), Warsaw (The Economic Society), Kielce (The Economic Society of Staropolska), Torun, and Wroclaw; plus representatives of Janusz Korwin-Mikke's liberal community (The Movement of Real Politics).

The first day's talks opened with a speech by Donald Tusk [not further identified], who presented the genesis of the group in brief and attempted to answer the question concerning what liberalism means to this group. Donald Tusk drew attention to the difficulties in applying a liberal doctrine under Poland's concrete conditions.

An attempt to create a liberal alternative for Poland concerning political affairs was the subject of a report by Lech Mazewski entitled "The Mechanism of Government Under a New Constitution." Employing liberal political categories, in other words a reduced and controlled authority, the author attempted to create such a model of authority for the transitional period in store for Poland. The new mechanism of government should be based on two basic institutions: a president, and a bicameral parliament.

The office of president is an institutional compromise between the authorities and society. This compromise would be evident from the way in which elections are held (direct voting, but only the PZPR would be able to put up candidates), and from the scope of the president (the head of state would decide on internal affairs, defense, and foreign policy, among other things). However, a ban on reelecting the same president would be a major curb on his power. The principle of no reelection should permit a periodic rejuvenation of the apparatus of authority by means of a constant circulation of cadres, albeit within the framework of the same broad establishment.

According to this concept, the Sejm would consist of two chambers, a chamber of deputies and a senate. Only the first chamber would be constituted on the basis of democratic elections. Half of the second chamber would consist of representatives of professional, economic, and territorial self-management bodies, who would all be federated in a supreme economic chamber; and the other half would be nominated for the duration of the Sejm's tenure by the president himself, on the premier's recommendation, this recommendation stemming from a government resolution. The government would be answerable only to the chamber of deputies for its policies. [passage omitted]

The Gdansk Congress of Liberals was an attempt to reveal, apart from the achievements of the Gdansk community, a real alternative for today's Poland, presented by Polish liberal thinking. The solutions that were discussed in Gdansk involved national problems (dealt with on the first day of the talks), and regional ones. There is no doubt that it is necessary to continue working on a liberal alternative for the republic. The next congress, to the organization of which the hosts of the Gdansk session committed themselves, should provide such an opportunity.

Journalists Demand Free Speech Institution

LD2802170989 Warsaw PAP in English
1548 GMT 28 Feb 89

[Text] Warsaw, Feb 28—Presidium of the main board of the Association of Journalists of the Polish People's Republic SD PRL adopted today a resolution demanding the foundation of "the warden of freedom of speech and information" institution by the Polish parliament.

The resolution says that limitation of access to information, which takes various forms recently, is contradictory to basic rights of journalists guaranteed by the press law.

Journalists' fight for access to information demands complex action and only an independent organ responsible to the parliament and equipped with legal rights will be a reliable guarantee of respecting the duty of freedom of speech and information by all subjects of state, political-social, cultural and economic life.

SD PRL Presidium turned to MP's to forward a proper legislative initiative.

Ceausescu Receives Ethiopian Deputy Premier

AU0103203789 Bucharest AGERPRES in English 1958 GMT 1 Mar 89

[Text] Bucharest, AGERPRES, 01/03/1989—On March 1 in the afternoon, Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of Romania, received Hailu Yemanu, member of the Political Bureau of the CC of the Workers' Party of Ethiopia, deputy chairman of the People's Democratic Republic of Ethiopia, who is paying a visit to Romania.

On the occasion, Nicolae Ceausescu was handed over a message on behalf of Mengistu Haile Mariam, secretary-general of the CC of the Workers' Party of Ethiopia, president of the People's Democratic Republic of Ethiopia.

During the interview, problems were approached related to the further expansion of cooperation between the two countries, in areas of mutual interest, to the increase and diversification of commercial exchanges, in the spirit of the understandings reached during summit meetings.

The interview was attended by Stefan Andrei, alternate member of the Executive Political Committee of the CC of the RCP, deputy prime minister, and Lieutenant-General Victor Stanculescu, first deputy minister of national defence.

Also present were Makonnen Gezaw, ambassador of the People's Democratic Republic of Ethiopia in Bucharest, and Brigade General Alemayehu Agonafer [spelling as received].

Ceausescu Receives YAR Envoy's Credentials

AU0103183589 Bucharest AGERPRES in English 1748 GMT 1 Mar 89

[Text] Bucharest, AGERPRES, 1/3/1989—The president of the Socialist Republic of Romania, Nicolae Ceausescu, received Wednesday, 1 March, Mansur 'Abd al-Jalil 'Abd al-Rabb, who presented his letters of credence as ambassador extraordinary and plenipotentiary of the Yemen Arab Republic [YAR] to Romania.

The presentation of credentials occasioned an exchange of salutes between President Nicolae Ceausescu and Colonel 'Ali 'Abdallah Salih, president of the Yemen Arab Republic, supreme commander of the Armed Forces, secretary-general of the General People's Congress.

In his address the ambassador expresses his country's willingness to work for the development of bilateral relations as well as its deep gratitude for the constructive role Socialist Romania, led by President Nicolae Ceausescu, has played in finding a just political solution to the Middle East issues.

In his address of reply President Nicolae Ceausescu points to the possibilities of expanding the collaboration and cooperation between Romania and the Yemen Arab Republic in the economic, technical, scientific and cultural domains, in the interests of both peoples, of the cause of peace and understanding worldwide.

Manescu Meets Japanese Officials in Tokyo

AU0203202089 Bucharest AGERPRES in English 1855 GMT 2 Mar 89

["Romanian-Japanese Messages Exchanged at Top Level"—AGERPRES headline]

[Text] Tokyo, AGERPRES, 02/03/1989—Japan's prime minister, Noboru Takeshita, met with Manea Manescu, vice-president of Romania's State Council. On the occasion, messages were exchanged between Romania's president and the Japanese premier.

During the talk held on the occasion, reference was made to the good relations of friendship between Romania and Japan. Analysis was made of new possibilities to further develop and diversify these relations and especially the economic and commercial exchanges, cooperation in production and technical-scientific cooperation, in both peoples' interest.

Manea Manescu also had talks with Sosuke Uno, Japan's minister of foreign affairs, and Hiroshi Mitsuzuka, minister of international commerce and industry.

At the same time, working meetings were held with the management of the Japan-Romania Joint Economic Committee for the preparation of the session due to be held in Bucharest this May, as well as with the managers of large Japanese companies engaged in commercial exchanges and in actions of economic cooperation with Romania.

The talks emphasized the broad possibilities to increase and diversify the trade between the two countries, to expand the cooperation in production both bilaterally and on third markets.

Duma Signs Economic Protocol With Italy

AU0203212689 Bucharest AGERPRES in English 2032 GMT 2 Mar 89

["Proceedings of the Joint Romanian-Italian Governmental Commission of Economic Cooperation"—AGERPRES headline]

[Text] Rome, AGERPRES, 2/03/1989—The twelfth session of the Joint Romanian-Italian Governmental Commission of Economic, Industrial and Technical Cooperation was held in Rome.

A protocol was concluded on the occasion stipulating measures for the growth and diversification of commercial exchanges, of economic, technical and scientific cooperation bilaterally and on third markets in machine

building, electronics and electrical engineering, chemistry and petrochemistry, power engineering, light industry, woodworking and other areas of joint interest.

For Romania the document was signed by Aurel Duma, minister secretary of state at the Foreign Affairs Ministry, and for Italy by Senator Gilberto Bonalumi, undersecretary of state at the Foreign Affairs Ministry.

The Romanian co-chairman of the joint commission was received by Giulio Andreotti, minister of foreign affairs, by Senator Amintore Fanfani, minister of the budget and economic planning, and had talks with Alberto Rossi, undersecretary of state at the Ministry of Foreign Trade, with other Italian officials.

Agriculture Minister on Party, State Farm Policy

AU0203151789 Bucharest AGERPRES in English 1434 GMT 2 Mar 89

["Romanian Minister of Agriculture on the Party and State Agrarian Policy"—AGERPRES headline]

[Text] Bucharest AGERPRES 2/3/1989—Surveying the Romanian agriculture's development in the 40 years elapsed since the beginning of the process of cooperativization started by the historical plenary meeting of the CC of the RCP of March 3-5, 1949, Romanian minister of agriculture Gheorghe David highlights in an article in ROMANIA LIBERA that, as compared with the past, the results are telling of the progress marked in this domain, disclosing the superiority of the agriculture organized upon socialist bases.

Recalling that 40 years ago the country's agriculture availed of only a few tractors and farm machinery, and was in want of possibilities of soil fertilization and of experts, the minister of agriculture shows:

The imperious development of the productive forces judiciously distributed in all zones of the country, the socialist accumulation, the material and financial effort made by the state, allowed socialist agriculture to benefit in time from an increasing volume of investment funds: as compared with 1950, the investments in agriculture in 1987 were 58 times bigger. Romanian agriculture avails today of an important number of tractors and a diversified range of farm machinery. The complex mechanization was ensured with most of the field works as well as vegetable gardening, fruit and vine growing, animal breeding, etc. Chemistry supplies agriculture with a large amount of chemical fertilizers and other substances to control pests.

In the past, the irrigated area was of only a few tens of thousands hectares of orchards watered with animal draft or by the bucket. At the end of 1988, the irrigated area was of 3.7 million hectares. Works of draining and soil erosion control also covered wide expanses of land. Big, modern production units were also realized in all branches of farming, animal breeding first of all. Agriculture also received high-yield strains and hybrids, as well as modern technologies that have allowed for a steady growth of labour productivity.

The wide scope of the high and higher agricultural learning has resulted in a large number of medium and highly trained cadres that work in agriculture. Every farm unit has specialty technical assistance ensured.

This material, financial and human effort materializes in the steady growth of farm production. Agricultural cooperativization and the modernization of the technical-material base allowed for the getting of such productions as people could not have dreamed of in the past. As compared with 1950, for instance, the plant production grew 4.9 times in 1987 and the animal production—4.6 times. The cereal production grew with every passing year. As many as 250 farm state and cooperative units took in last year record harvests of over 8,000 kg wheat and barley per hectare, and over 20,000 kg corncobs per hectare, demonstrating the superiority of socialist agriculture.

Important rises were recorded also with the technical crops, vegetable gardening, vine and fruit growing, as well as with animal production. Agriculture's contribution to the increase of the national income, to the country's general development has thus grown.

Concomitant with the production growth the incomes also grew of the working people in villages. Romania's villages have reached higher stages of progress and civilization.

Prefiguring the socioeconomic development of Romania by the'90s, the 13th Congress of the RCP established in the document endorsed the speeding up of the intensive development of agriculture, of the building of a modern, high-yield agriculture. Special programs of production modernization and intensification by agricultural sectors were articulated, pursuing big, stable agricultural productions, based on the application of the latest gains of science and technology in agriculture and the judicious application of the principles of worker self-management and economic and financial self-administration.

The current stage of development of the Romanian society poses to agriculture qualitatively new problems regarding the attainment of the targets of the new agrarian revolution.

The application to production of the results of scientific research, based on the established programs make the support for the steady growth of the plant and animal production and the attainment of the targets of the new agrarian revolution. The conditions provided allow for the attainment of these targets of outstanding importance for increasing the national wealth, for raising the whole people's welfare.

Daily on Socialist Property in Agriculture
AU2502205689 Bucharest AGERPRES in English 1921 GMT 25 Feb 89

["SCINTEIA: Socialist Property—the Basis of the Modernization of Romanian Agriculture, of its Manysided Progress"—AGERPRES headline]

[Text] Bucharest AGERPRES, 25/2/1989—The first agrarian reform in postwar Romania—the agrarian reform of 1945—could not find a definitive solution either to the agrarian question or to the food problem in Romania, more particularly in conditions in which a passage was being made to the policy of socialist industrialization of the country. Romanian agriculture continued to be a parcelled-out agriculture and private ownership over those scattered plots, on which farming operations were performed with poor production means, acted as a brake to the updating of agriculture and, implicitly, of the entire national economy which, at that time, had embarked on the road of deep-going revolutionary changes to provide for the building of the socialist society. Under those circumstances, the major issue of that epoch was the achievement of the socialist agrarian revolution, whose targets and programmes were set by the party plenary meeting of March 3-5, 1949. The plenary meeting started from the fact that the creation of a unitary socialist economy in Romania necessarily implied a socialist transformation of the village, the formation of a large socialist property in agriculture as well, by cooperativizing small farm producers.

The cooperativization of agriculture—a process that started in 1949 and ended in 1962—was the major—though not the only—revolutionary process behind the creation of a socialist property in agriculture.

In consideration of the specific conditions in the Romanian economy at the moment political power was taken over, as well as of the prospects of a socialist transformation of society, the Romanian Communist Party promoted, ever since the first agrarian revolution, an original policy aimed at liquidating the landed class; part of the plots expropriated from the land-owners, together with the mechanical means of production (tractors and farm machinery), as well as the large estates that were exploited intensively, upon capitalist bases, were nationalized to make a state reserve. Those terrains, together with the plots expropriated in 1949, made the territorial base for the organization of the present-day state farming enterprises. Furthermore, the tractors and farm machinery extant at that time underlaid the creation of the current farm machinery stations.

When the cooperativization drive started, agriculture boasted a socialist sector, exclusively represented by state property (state farming enterprises and state farm machinery stations). For several decades, state property played a major political role in Romanian agriculture, working as an active factor in the creation and consolidation of cooperative socialist property. From the very beginning, state farming enterprises were assigned the important mission to boost the technical and agronomic level of Romanian agriculture, to supply the market with farm produce for the population and with raw materials for industry, to help the peasants better tend to their land and to serve as an example of the superiority of agriculture achieved on larger areas, with the help of the latest technology.

As for farm machinery stations, as a political lever of applying advanced technology to agriculture, they played a tremendously significant part in the RCP policy aimed at convincing and involving the working peasants in the work of socialist construction in the countryside.

Passing on to the fulfillment of the most complex target of the socialist revolution—the socialist agrarian revolution—by transforming—with the free consent of the millions of owners of smallholdings—the small private property into socialist property, the RCP considered the socioeconomic character of the peasant smallholdings (which was not and it is not capitalist), as well as the need to strengthen the alliance between the working class and the peasantry, as the most durable political foundation of the new social system.

The creation and generalization of cooperative socialist property in Romania's agriculture throughout a true historical period (spanning 1949-1962) was a highly complex and elaborate revolutionary process. The process of socialization of Romanian agriculture ended in the spring of 1962. Socialism was a winner not only in towns, but also in the countryside.

Socialist property included the overwhelming majority of agricultural terrains, as well as all the tractors, farm machinery and a number of complex farming implements. Roughly 4.5 million hectares of the over 15 million hectares of agricultural land went to the state socialist property (of which 2.1 million hectares or so belong to state farming enterprises) and more than 9.1 million hectares make the cooperative socialist property (of which over 920 thousand hectares represent the personal holdings of cooperative farmers). The Romanian Communist Party did not take the notion of the creation of the socialist property in agriculture in a dogmatic sense. The fact is well known that the law of the superiority of large-scale production in agriculture is valid with a number of restrictions, without which it cannot prove its viability. That is why, the agricultural land was not cooperativized in hilly areas, where the access of mechanized labour means is almost impossible. It made the private property of individual farmers who can, however, create their own production associations.

The creation of the state and cooperative socialist property eased the way to the modernization of agriculture, through a number of deep-going technical and organizational changes aimed at striking a balance between the new character of the socialist relations of production and the development level of the production forces in that

key branch of the national economy. Obviously, an advanced agriculture from the social point of view and as concerns the relations of production, should be able to technically and economically vie with the agriculture of the developed capitalist countries. Socialism—in agriculture included—has the historical mission to prove its superiority in the peaceful emulation with capitalism. The attainment of that target needed a long, long time—especially if we consider the development level the Romanian agriculture had attained four decades ago.

With the dialectical analysis between the forces and relations of production as a basis, the Romanian Communist Party passed on to the establishment of new-type production relations (set on socialist property) to provide for the unhampered development of the forces of production. The correctness of that strategy in the development of Romanian agriculture is attested by the achievements scored in the technical modernization of agriculture, the intensive-type development of socialist property, all of which provided for a transition to a new development stage, which is now known as "the new agrarian revolution."

As a matter of fact, as early as the plenary meeting of March 3-5, emphasis was placed on the link between cooperativization and the passage from an extensive—to an intensive-type agriculture. That development strategy was further supported by a firm investment policy, which considerably increased socialist property in terms of fixed assets. So, for instance, whereas in the five-year period plan spanning 1951-1955 investment in agriculture stood at 5,759 million lei, in the 1981-1985 quinquennium that amount rose to 174,801 million lei. In the current five-year plan period agriculture will be earmarked more than 190 billion for the development of its production strength.

The attention paid to the faster development of the production forces in agriculture is attested by the evolution of the weight agriculture holds in total investment: 10.6 per cent in 1950, 16.7 per cent in 1987. Consequently, in 1987 agriculture boasted fixed assets (in terms of a complete inventory value) that were more than six times larger than back in 1965.

A passage to the implementation of the national programme for stable crops could not have been possible without the socialist ownership over the major means of production in agriculture. In 1988 alone, as many as 380.3 thousand hectares were laid out for irrigations in large and local systems (including 205.0 thousand hectares where operations were completed or entered an advanced stage and which are to go on line in the spring of 1989), so that the total area laid out for irrigation now stands at 3,750 thousand hectares.

The 1988 production results of state and cooperative farming units follow an ascending course, thus powerfully attesting to the superiority of socialist agriculture, to the capacity of the farmers and of all working people in that branch to get ever richer crops and attain higher efficiency every year. As a result of the rise in plant and animal production, in 1988 socialist farming units could deliver to the state's centralized stock and to the local self sufficiency stock larger amounts of both plant and livestock products than they did back in 1987.

The powerful development of the production forces in Romania's socialist agriculture called for the adoption of new organizational forms of socioeconomic integration into farm production. The expansion of cooperation in production, supply and sales resulted in the creation of inter-cooperative economic associations, as well as of associations between producer cooperative farms and state units or consumer cooperatives. The joint state and cooperative agroindustrial councils, which coordinate the production activity of all farming, agricultural research and education units within the respective territory, were assigned the task of managing the activity of social integration into farm production by territorial units (within the radius of a farm machinery station). Under like circumstances, the sphere of the state and cooperative property expands and a productive cooperation is achieved between the two forms of socialists property, with a view to attaining a general progress of agriculture and of the national economy as a whole.

Daily Comments on Economic Protectionism

AU2502160189 Bucharest AGERPRES in English 1159 GMT 25 Feb 89

["Neoprotectionism—A Factor Worsening Inequalities in World Economy; Excerpted Commentary in SCINTEIA of 25 February"—AGERPRES headline]

[Text] Bucharest AGERPRES, 25/2/1989—World trade is confronted with a paradoxical situation: while in words the developed capitalist countries are for the liberalization of exchanges, in deeds not only that they do not diminish the existing obstacles but also raise new ones. Such a duplicitous attitude heightens tension in interstate economic relations and aggravates commercial conflicts. As a matter of fact the crisis of the international trade system has sharpened in recent years.

The present protectionist race is about to reverse the liberalizing tendency that dominated the postwar period. Indeed, the seven rounds of multilateral trade negotiations held so far within the general agreement on tariffs and trade have led to a substantial diminution of the tariff barriers in international economic exchanges.

New trade obstacles have cropped up concomitantly with the reduction of tariff barriers. The "new protectionism" characterized by the imposition of non-tariff restrictions expanded and diversified fastly after 1975 when the world economy entered a profound and unusually persistent crisis.

Protectionism in general implies substantial costs for both the countries against which it is directed and those practicing it. But non-tariff barriers are more damaging than the tariff ones.

For the developing countries they are ruining: according to world bank estimations the protectionist measures taken by the rich countries bring the poor countries losses of 2.5-to-9 per cent of their GNP [gross national product].

Such losses cannot be explained only through the fragile character of the developing countries' economy. Adding to this is the discriminatory and selective character of the protectionist policy promoted by the developed capitalist countries which does not affect all states to the same extent, the developing ones having more to suffer.

The protectionist barriers raised by the developed capitalist countries to the commodities from developing states increase function of their manufacture degree. The current protectionist wave was caused more by political than economic reasons, by the attempts of monopolist circles to maintain the status quo, to bar the path to a new, more just international division of labour, to preserve the privileges offered by the old system of inequitable relations.

Of late, ever more experts draw attention to the "boomerang effect" of the protectionist policies which have led to a vicious circle. The rich countries raise various trade barriers often invoking as argument the wish to safeguard jobs in non-competitive sectors, but the restrictive measures they adopt only weaken their own growth rates and maintain a high unemployment level.

The fact that neoprotectionism affects, to one extent or another, all states aroused the interest and concern for lessening pressure towards closing markets and for making new steps on the path of liberalization of international commercial exchanges. In 1986 a new round of multilateral commercial talks was held within GATT.

Developments in international trade fully confirm the realistic character of the assessments of Socialist Romania, of President Nicolae Ceausescu that the problems related to the liquidation of underdevelopment, to the building of a new international economic order are not only economic but also, and firstly, political questions. They call for a new, democratic and equitable approach which should set from the need for fully equal relations meant to favour the progress of every economy, more particularly the faster growth of the countries lagging behind economically.

In this respect Romania has tabled a number of tangible proposals at the UN and other specialized agencies of the world forum which pursue the fight against protectionism and the achievement of a free trade, renunciation of economic embargoes and blockades, political conditions, of the tendency of resorting to non-economic criteria and to subjective and arbitrary interpretations of the evolution in various countries to justify the non-granting of the most favoured nation clause or to refuse the granting of preferences within the generalized system of preferences.

Romania is of the opinion that several prerequisites should be met while setting future directions of action: the granting of the most favoured nation clause unconditionally and on stable grounds, the full application of the principle of nondiscrimination; observance of the legitimate national rights of all states, of each country's right to free, independent development; the adoption of tangible measures ensuring a differentiated and a more favourable treatment for all the developing countries and the taking into consideration of the respective countries' specific development requirements.

Romania, as President Nicolae Ceausescu has recently asserted, will further work, at the current round of multilateral commercial talks within GATT included, for conditions to be put in place favouring a genuinely free trade, an equal cooperation in harmony with the interests of peace and of all peoples' progress.

1 Mar Joint Assembly Session Proceedings

LD0203194189 Belgrade TANJUG Domestic Service in Serbo-Croatian 1615 GMT 1 Mar 89

[Excerpts] Belgrade, 1 Mar (TANJUG)—Counterrevolution in Kosovo has been going on uninterrupted since 1981 with serious consequences for the entire country. Of particular concern is the fact that in the last 8 years, due either to pressure or threats against the security of people and their property and their basic human rights, over 50,000 Serbs and Montenegrins and other non-Albanian people have left Kosovo. There has been a demographic explosion of the Albanian population in Kosovo which, together with the existing indoctrination with greater Albanian separatism and nationalism, is aimed at fulfilling the plan of an ethnically pure Kosovo, the secession of Kosovo as a republic, and the creation of a greater Albania.

This is how SFRY Presidency member Lazar Mojsov described the situation in the Socialist Autonomous Province [SAP] of Kosovo—which for almost a decade has been our most serious political "wound"—at a joint extraordinary session of the Federal Chamber and the Chamber of the Republics and Provinces of the SFRY Assembly which met to discuss the assembly's tasks and the situation in the country. In his detailed and comprehensive report, Mojsov paid most attention to the situation in the SAP of Kosovo. The picture of the situation in this province was completed by FEC Vice President Janez Zemljaric, who informed the delegates about the measures the federal government had undertaken, within its competence and in cooperation with other organs, designed to overcome the problems in Kosovo.

Today's 10th joint session of both assembly chambers was held, as assembly Vice President Spasoje Medenica explained, in accordance with a procedure book on the joint work of the assembly's chambers and which specifies that when extraordinary circumstances arise a joint session can be convened in an emergency procedure and its agenda established at the session itself. This was done today. However, except for a number of formal ones, not a single valid reason was given to explain why the first part of today's session, at which Lazar Mojsov and Janez Zemljaric submitted their introductory reports, was held behind closed doors. All the more so since—and this was confirmed by the applause with which the delegates received Lazar Mojsov's report—not only "common people" but also the delegates in the SFRY Assembly who, if everything is functioning as it should, should be the most informed people in Yugoslavia, are "starved" of real information about the situation in Kosovo. Those who were particularly deprived of such pieces of information were the large number of Serbs and Montenegrins from Kosovo who had spent the whole day outside the assembly's building separated from it by traffic as well as a lack of understanding.

Officially, the demand for an urgent topical session of the two chambers was made by the Assembly of the SR of Slovenia and 30 delegates from this republic in the federal chamber. As was said at a briefing this morning the session was convened "to please" these delegates and, above all, the public.

Following Lazar Mojsov's introductory report, 11 delegates asked questions about the situation in Kosovo and measures taken in that part of the country.

Asked why in some statements the LCY Central Committee leadership said that there existed no lists with the names of the organizers of the demonstrations in Kosovo, Mojsov said that he was not a member of the Central Committee and therefore could not explain this body's standpoint. What was implied, however, was that there was no list to be used for setting in motion procedure to establish criminal responsibility.

In reference to the organizers of the demonstrations, Mojsov said that once they are indentified they will be treated strictly according to the law. Asked why the SFRY Presidency had failed even today to present the Federal Assembly with an explanation of the political-security and economic situation in the country, Mojsov said that this will be done by the President of the SFRY Presidency, Raif Dizdarevic, in mid-April. In reference to the historical circumstances in the province, Lazar Mojsov noted that since the beginning of the 18th century Kosovo has been a practice ground for "numerous foreign services." The signs of their influence are still present and even today there is evidence of interference by large intelligence systems in that part of our country, he stressed.

Mojsov continued, saying that the Albanian population as a whole as well as the Albanian workers had never been branded as nationalists. Even in the present situation not more than 30,000 people took part in the latest demonstrations in Kosovo. If to this figure we add members of their families this amounts to, let us say, 100,000. This is in no way the entire population, Mojsov stressed. According to the latest census there are 1.7 million Albanians in Kosovo today. So, only a small percentage has been implicated while the rest are firmly oriented toward Yugoslavia, despite the fact that many of them have been "scared by blackmail."

Asked about the influence of neighboring Albania on the situation in the province, Mojsov said that, when it comes to our country, Albania was operating in four directions at the same time. One is the government's statements, the other is their propaganda abroad and in their country, the third is the activity of its intelligence centers, and the fourth is its activity with the help of hostile Albanian emigres.

Up to 1981 we remained "blind" to everything that concerned Albania, convinced that our self-managing socialism was superior to such an extent to the system of the "most ossified Stalinism" that rules over the other side of the border that we allowed all kinds of teachers,

books, and textbooks from that country to freely meddle in Kosovo. We thought, Mojsov said, that "our Albanians" would be aware enough to opt for Yugoslavia and not Albania. However, since 1981 our "eyes became more open" and we will no longer put up with such meddling. It must be quite clear whether or not they are for goodneighborly relations.

Asked if the assembly would promulgate the Constitution of the SR of Serbia in contravention of the envisioned procedure, the member of the Presidency said that there is no way this could be done. A procedure is envisioned for endorsing the Constitution. The second stage of the changes will take place around 15 March in the Assembly of the SAP of Kosovo. I hope that the provincial assembly will approach this task in a responsible manner and decide what is in the interest of safeguarding all the rights enjoyed by the Albanian nationality, he stressed. Asked about occasional interference by Tirana's television program on the second television channel in some parts of the province, Mojsov stressed that this problem existed and that it was necessary to uncover who is causing it.

In reference to the remark that in Yugoslavia people have spoken, that we are exporting revolution, and that "some movements" are gaining ground, Mojsov said that these issues did not come under the competence of the state Presidency. My personal view is, he added, that the gatherings in different parts of the country cannot be assessed in the same way and by applying the same criteria. Any attempt to simplify and equate the nature of these gatherings would lead to confusion. For instance, gatherings on the territory of the SAP of Kosovo can spark off intranational conflicts and bloodshed while the gatherings in the parts of the country where the people have not been trodden upon are something different. The gatherings of Serbs and Montenegrins in that province, Mojsov stressed, can neither be judged in the same way, since these people have been under constant attack, fear, and threats.

Asked why special measures had not been introduced in the province before, Mojsov said that it was true that the need for them existed before but the intention was to use political action and all other programs adopted before to reverse the situation. All this, unfortunately, did not help. Having stressed that the measures were introduced at the 11th hour he said that the leadership would be glad to cancel them if the situation in Kosovo stabilizes and the LCY's policy on brotherhood, togetherness, equality, and human dignity for all people in the province is firmly implemented.

Speaking about the situation in the province, Mojsov stressed that the state with the rule of law does not function in Kosovo even in its basic forms. Certain measures are being taken to change this. A large number of judges have been sent to Kosovo with the task of resolving conflicts and clearing up the backlog of court cases. However, it is not easy to reinstate a state with a rule of law, especially in view of the fact that a great deal has been lost through our blindness and through the absence of necessary political action. Asked if citizens' rights could be suspended in peacetime, Mojsov stressed that under the Constitution this was possible during war, under a threat from war, and also in peacetime under emergency circumstances. In any case, he asked, is there a country in the world which under certain circumstances would not introduce temporary measures to restrict citizens' rights, including curfew and suspension of many other rights?

Answering the last question put to him Mojsov agreed that the present situation in Kosovo was, in fact, an attempt to test Yugoslavia, and he agreed that our country was a practice ground on which many are testing their powers. This is a test for us, but we have passed many tests so far and will do the same this time. Anyone can try and test us, either by needle pricks or weapons, but this country will survive, Lazar Mojsov said. This was greeted by a stormy applause from the delegates.

The latest events in Kosovo are not only linked with 1981 and the November demonstrations, but are a direct reaction to the constitutional changes in Serbia. This was stated by Janos Sreder (Vojvodina), the first participant in the debate on the tasks of the SFRY Assembly in connection with the situation in the country.

He drew attention to the fact that we should not bury ourselves in data about the reduction in percentage terms of emigration from Kosovo, because the number of those left to emigrate is small. He insisted on the responsibility of the SFRY Assembly for implementing the Yugoslav program on Kosovo which is not being implemented. Stressing that on 10 March the Vojvodina Assembly will give its consent to the changes in the Serbian Constitution, Sreder concluded that these are inevitable and that Serbia, as a state and self-managing community alone, can create the conditions for equality and unity in the republic in all spheres of work and creation. [passage omitted]

In the name of the Montenegrin delegation in the Yugoslav Assembly's Chamber of Republics and Provinces, Milorad Stanojevic expressed full support for the SFRY Presidency which ordered the adoption of special measures in Kosovo in order to protect constitutional order, public order, peace, personal and property safety, and the security of the province. This support stems from the widely expressed will and mood of the Montenegrin people, which energetically rejects all types of blackmail, including this latest one, the loathsome manipulation of the miners which the organizers of the strikes used in order to prevent the adoption not only of the Serbian Constitution, and in order to replace the leading political people of Kosovo who have shown in practice that they are fighting for the policy of brotherhood and unity. [passage omitted]

It appears, Ratko Vukcevic believes, that the political and economic problem of Kosovo and Yugoslavia is only now being understood, above all because provincial and federal institutions failed to act in a correct manner. A lot of paper has been used and during this time, to our shame, well-organized teams, that have still not been discovered or punished, have systematically and very successfully been achieving their goals, Vukcevic said. It is incomprehensible that Kosovo obtains over 700 billion dinars of assistance daily—probably also for the financing of all these actions for the emigration of Serbs and Montenegrins, and to cover idleness.

"Hitherto I suspected, and over the last few days I have become convinced, that the irredentists have good strongholds both in Slovenia, in Croatia, and in many other parts of our beautiful country," Vukcevic said. How else can the fora that are being organized and the philosophical fora in Zagreb be understood, and how can the forum or meeting that took place the night before last behind closed doors—with 240,000 members having signed supporting the miners—be understood. [passage omitted]

Turning to the gathering in Cankarev Dom in Ljubljana, Marija Rodic said she was embittered by what she heard, in particular those speeches that received very loud applause. In no way can and will I believe that the Slovene people have the same opinions as the speakers at this meeting. What, she asked, is the meaning of David's Star on a badge worn by participants at the meeting, in particular the words "Kosovo My Homeland." I know what it means in translation but I would not dare to express what the translation of the essence of these words is, Marija Rodic says. Why was similar solidarity not expressed in 1981 or later when people had to leave their hearths en masse, when there were rapes, when cemeteries were dug up and cultural goods were destroyed in a barbaric manner, not to mention Paracin, Marija Rodic asked. There is no basis for Smole's wish and it cannot be accepted either that the meeting in Cankarev Dom should not be interpreted as anti-Serbian, she said. It should be clear to everyone, especially Smole, that the speeches against one nation are in fact speeches against Yugoslavia, Marija Rodic said.

Ljubisa Savid described the strike in the Trepca mine as a sudden escalation of hostile Albanian separatism against the integrity of Yugoslavia. The perfidious separatist forces in Kosovo in November last year, as well as over the past few days, set their sights on the most sensitive area of the working class—the miners. I agree with the standpoint of the broadest Yugoslav public that not one miner should come to grief, though the danger of this happening was great, while some of the public were misled, Savic said. He says that the Stari Trg miners, together with management structures of the Albanian nationality, betrayed the working class of their homeland. Their demands, which in certain instances appeared as ultimatums, endangered the integrity of the country, he said, and he proposed that criminal charges be brought against the miners and their management leadership. Unless this is done, all the participants in these hostile events, bearing in mind practice hitherto, will become the beneficiaries of national recognition and pensions, Savic observed with acerbity. [passage omitted]

Branko Kostic, (Serbia), drew attention to the fact that as far as he knows, article eight of the State Security Law—which makes it possible for the Federal Secretariat for Internal Affairs, by organizing the security forces throughout Yugoslavia, among other things to directly carry out certain affairs in Kosovo—is not being applied consistently. Its application, he said, is reduced to an agreement between the Federal and the Provincial Secretariat for Internal Affairs, to some kind of compromise. Hence he proposed that one of the conclusions of today's session of both chambers be the consistent application of the article, which means that the Federal Secretariat for Internal Affairs should be responsible for the situation, in other words the elimination of hostile activity in Kosovo. Kostic advocated that the SFRY Assembly stand should also be that the organs of discovery and law enforcement (Federal, Republican, and Provincial ones) start up procedure—in other words, examine all the circumstances for establishing the responsibility of Aziz Abrasi, chairman of the Trepca Management Board; Burhan Kavaja, director of the Stari Trg work organization; and Azem Vlasi. I believe, Kostic said, that it is now clear who are in fact the organizers of protests by the miners who went down into the pit. Kostic also "voted" in favor of publishing a list of the organizers of the November demonstrations, and he presumed that their role was also the same in these February events.

Federal funds earmarked by the Yugoslav working class for assistance to Kosovo could not be used to cover losses that have arisen as a result of the latest events, because if they were to do this, Kostic said, they would be being used for counterrevolutionary purposes.

Kostic produced statistics according to which the process of the emigration of Serbs and Montenegrins from Kosovo has been going on continuously since 1941. From that time up until 1981, 300,000 have emigrated, and since 1981 a further 50,000 have emigrated.

According to Martin Mlinar (Slovenia) today's speech by Lazar Mojsov was, as he put it, a history lesson. Individual details give a clear picture of the situation as a result of which the SFRY Presidency opted for the measure it has taken. [passage omitted]

Vukadinovic stated that he was bound to ask whether among the delegates there are sympathizers with the counterrevolution in Kosovo, and perhaps also organizers, and he recalled that in almost all the discussions several delegates from Kosovo have most frequently been proposing that these questions be postponed and that the core of the conclusions be omitted.

What, he then asked, does the request of the SFRY Presidency that further checking be done on the list of those who inspired the demonstrations at the end of last year and their actions over the past few days mean? I am sure that all those who are on it know all the names and the whole list, while we delegates still do not know them. Not only is there no sense in this but it is quite unacceptable, Vukadinovic stressed.

Surely there needs to be no further checking with regard to Azem Vlasi and the others who with him secretly went down into the pit, and with regard to the director of Trepca and some others, Vukadinovic also said, adding that while we go checking, they are destroying Yugoslavia.

Speaking about the special circumstances from the point of view of all-peoples defense and social self-protection [ONO/DSZ], Ratko Milicevic assessed that one of the causes of these circusmtances and of those in 1981 continues to be the failure of the committee for ONO/DSZ to carry out its tasks. Starting from the negative experience then and now, and also from the unfavorable assessments of competent inspectors concerning the readiness of the subjects of ONO/DSZ on the territory of Kosovo in 1986 and 1987, Milicevic proposed that emergency verification be organized that would assess in the shortest time the situation and propose measures of responsibility. [passage omitted]

At the end of today's joint session, the delegates of both chambers adopted, on the basis of the introductory reports and discussion, conclusions which say:

The SFRY Assembly supports the special measures taken by the SFRY Presidency, in the framework of its constitutional authority, for the purpose of preserving and protecting the territorial integrity and constitutional order of the SFRY and ensuring public order and peace, freedom, work and life, as well as the normalization of the overall situation in the SAP of Kosovo. The assembly requests of the SFRY Presidency that it regularly provide information on implementing these measures.

The SFRY Assembly will strengthen activity in terms of coordinating the economic policy documents (the budget, the extra budgetary balance, and regulations on exchange rate differences) which provide a vital orientation for the conditions in which business is conducted in 1989, as well as the work on the adoption of systemic laws, and it will adopt them in the shortest possible time.

The assemblies of the socialist republics and the autonomous provinces, the conclusions continue, should immediately take, in the framework of their authority, all the necessary measures enabling them to contribute to the removal of the causes of the deterioration of the political situation in Kosovo and, with this, the most rapid possible normalization of the overall situation in the country.

The highest Yugoslav organ of power obliges the FEC to propose to it, in accordance with needs, the adoption of measures within its competence that are necessary to stabilize circumstances in Kosovo, as well as in society as a whole.

The FEC and all organs and organizations in the federation are obliged to continue to take all the necessary measures within their competence for the purpose of more effectively implementing the decisions of the SFRY Presidency.

The SFRY Assembly, it says further, calls on all working people and citizens in the SAP of Kosovo to return to their daily work duties and activities. In this way they will be showing a high level of consciousness and responsibility in the struggle against all forms of hostile activity and ensure the normalization of life and the smooth functioning of the institutions of the system and the production process.

It is also requested of all the competent organs that they immediately take measures to establish the criminal and other responsibilities of those who have inspired and organized counterrevolutionary activity in Kosovo, as well as of all other persons who have committed acts that threaten the established system as set out in the SFRY Constitution, and the freedoms and rights of citizens.

The assembly requires of the competent organs that they immediately examine and establish the circumstances in which individuals contributed in any way whatsoever, or were organizers of, the events in the Stari Trg mine.

It is considered, the conclusions also state, that there can be no replacement of officials in contravention of procedures set out in the Constitution and the law.

The Yugoslav parliament starts from the premise that overcoming the counterrevolution in Kosovo, surmounting distrust, and improving intranational relations in the SAP of Kosovo are issues for the entire country. Because of this the assembly calls on all organs, organizations, and communities in the federation to responsibly and consistently carry out the tasks set out in the Yugoslav program of measures and activities to halt the emigration of Serbs and Montenegrins from Kosovo and to speed up the return of those who have left it and the arrival of all those who want to live and work in Kosovo.

To this end the highest organ of power in the SFRY will undertake all measures within its competence.

It is essential, it is stressed further, that the assemblies of the socialist republics and the assemblies of the SAP's consider the carrying out of the Yugoslav program and of their own obligations stemming from it and that in the framework of their rights, duties, and responsibilities, they immediately take all the necessary measures to more effectively completely and timely promulgate their

obligations, as well as establish the personal and collective responsibility of institutions and individuals who fail to fulfill or hamper fulfillment of the obligations set out in the Yugoslav program.

All the subjects of ONO/DSZ and security, it adds, should enhance their activity in the performance of the tasks established by the special measures of the SFRY Presidency.

The Federal Assembly requests that the competent organs in the SAP of Kosovo continue to carry out the emergency inspection of and checks on, the present state of defense preparations of the ONO/DSZ and establish the situation, propose appropriate measures to improve it, and propose measures of responsibility.

The SFRY Parliament also supports the conclusions of working people and citizens to the effect that all state organs and organs of the socio-political organizations and communities immediately direct their activity toward discovering and realizing the guidelines for emergence from the social and economic crisis in the country. In connection with this, it is vital to raise the level of responsibility of these organs, to constantly consider their work and the results of this work, and in this context the responsibility of the exponents of self-managing, and public and other social functions.

The assembly stresses that the changes to the SFRY Constitution are aimed at facilitating the implementation of a reform of the economic and political system, and that they have not changed the basic principles of the 1974 Constitution.

The conclusions stress that the adopted changes to the Constitution of the SR of Serbia by the Serbian Assembly ensure the essential unity and togetherness of all socialist self-managing forces in Serbia in line with the stands of the 13th LCY Congress. These changes are important not only for this republic and the SAPs, but also for realizing the constitutional conception of the Yugoslav federation and the stability of the whole country. They do not change the position of the SAPs as set out in the SFRY Constitution. For the purpose of achieving the essential unity and togetherness in the SR of Serbia, the procedure for changing the Serbian Constitution should be brought to an end as soon as possible.

Delegates and delegations in the SFRY Assembly are obliged, it says, to monitor the situation which has arisen and operate in a more active way, in keeping with their rights and duties, and set in motion initiatives for the taking of appropriate measures and activities to overcome the difficulties that have arisen.

The assembly chambers and their working bodies will monitor the promulgation of the special measures and, according to needs, undertake measures and activities within their remit.

The Federal Chamber's Committee for Internal Policy will regularly assess the results of applying the special measures and will inform delegates at each session of the federal chamber of their assessments and possible proposals for measures within the remit of the chamber, it says in the conclusions.

Presidency Communique on Kosovo Measures

LD0203180889 Belgrade TANJUG Domestic Service in Serbo-Croatian 1628 GMT 2 Mar 89

[Text] Belgrade, 2 Mar (TANJUG)—The measures to stabilize the situation in the Socialist Autonomous Province [SAP] of Kosovo are already being implemented and are yielding initial results, but all working people and citizens in the province must return to their regular duties so that the situation can be normalized as soon as possible. This was stated at a session of the SFRY Presidency at which the following communique was issued:

"The SFRY Presidency examined the implementation of the decision on special measures in the SAP of Kosovo at a session held today, chaired by Raif Dizdarevic.

"The SFRY Presidency noted that the measures adopted to stabilize the situation in the SAP of Kosovo are being implemented and are yielding initial results. The SFRY Presidency calls on all the working people and citizens in this province and our entire country to return each and all to regular work and production, and to carry out working duties and ensure that teaching returns to normal in all schools and faculties; especially because the total damage caused by work stoppages and disruptions in the regular production process over the last few days is too great. Everyone must make up for the losses in production by their own work as soon as possible.

"Drawing attention to the vital need to finish consolidating and involving all the organs and institutions in the SAP of Kosovo, the SFRY Presidency maintains that the announced resignations of Serbs and Montenegrins from Kosovo in the leaderships of the province, the SR of Serbia and the federation are not acceptable. They paralyze the work of these organs and jeopardize and prevent the efficient implementation of the measures already adopted to stabilize the situation in the SAP of Kosovo and in the country as a whole.

"It should be taken into account that all the leaderships in the SAP of Kosovo and representatives of the province in the SR of Serbia and the federation are representatives of all nations and nationalities living in the province; and that only by taking this fundamental fact into account can these organs successfully carry out their responsible duties, especially in the present situation."

Political Parties 'Incompatible' With Constitution

LD0203200789 Belgrade TANJUG Domestic Service in Serbo-Croatian 1952 GMT 2 Mar 89

[Text] Belgrade, 2 Mar (TANJUG)—The SFRY Presidency is of the opinion that founding political parties is incompatible with the constitutional basis of our country, and for that reason it will, within the framework of its rights and duties, insist that in connection with these phenomena the competent state organs act in accordance with the Constitution and law. This is the SFRY Presidency's reply to the question recently posed to the top state organs by the city conference of the Belgrade SAWP.

The reply, which was read today at the session of the Presidium of the city conference, states further: At the same time the SFRY Presidency is of the opinion that attitudes toward such phenomena have political character and this demands appropriate political activities which the SAWP and other sociopolitical organizations should undertake and carry out in accordance with their status within the constitutional basis of the country.

Andjelkovic, Minic Address Belgrade Protesters

LD0203101889 Belgrade TANJUG Domestic Service in Serbo-Croatian 0230 GMT 2 Mar 89

[Text] Belgrade, 2 Mar (TANJUG)—All Kosovo Serbs and Montenegrins who took part in a protest meeting in Belgrade have returned to Kosovo aboard coaches specially reserved for them.

The last group of about 800 people who were most adament about staying in Belgrade until resolute measures were taken to achieve a turnabout in the struggle to crush the counterrevolution in Kosovo, left for home at about 0200 this morning following a lengthy talk with Zoran Andjelkovic, member of the Serbian LC Central Committee Presidium, and Milomir Minic, executive secretary of the Serbian LC Central Committee Presidium.

In the Pionir sports hall where the Serbs and Montenegrins arrived at about midnight (on foot from the SFRY Assembly because they "did not like the look of the buses provided), Andjelkovic and Minic spoke exhaustively about the situation in the province.

They stressed that a decisive political struggle is under way with the forces of counterrevolution in Kosovo and their allies in other parts of Yugoslavia. We are on the way to winning this battle despite those who secretly hope to use the latest manipulation of the Stari Trg miners to topple the leadership of the Socialist Republic of Serbia, to undermine Yugoslavia-oriented Albanians as a symbol of consistency in implementing the LCY policy on Kosovo, and to hamper constitutional changes in Serbia, Milomir Minic said.

He added that bureaucratic-nationalist forces in Kosovo and beyond are doing their untmost to prevent any turnabout in the situation in Kosovo by raising issues which were clarified a long time ago, thus wasting everybody's time. In some other parts of the country, nationalist-separatist forces continue to incite by saying that the Serbian leadership will be toppled. This, Minic stressed, they will not succeed in doing.

Milomir Minic said that Albanian nationalists had tried to topple Husamedin Azemi, Rahman Morina, and Ali Sukrija with the aim of not just undermining the LCY's policy toward Kosovo, but also of warning all other Yugoslav-oriented Albanians that a similar fate awaits them if they try to counter nationalists.

We are aware that the position of Serbs and Montenegrins in Kosovo is today much more serious than ever before. However, you must go back there and help us to wage a decisive battle and bring about a final showdown with separatists and nationalists, Zoran Andjelkovic said. Do not make the position of the Serbian leadership more difficult, since some can hardly wait to accuse us of inciting you to gatherings. They have done it before, despite being aware of the fact that it was your predicament and lack of confidence in the institutions which have not fucntioned properly for a long time that forced you to resort to protest gatheirngs.

In response to the claim by the Serbs and Montenegrins that they had nowhere to go since the situation in Kosovo was unbearable, Andjelkovic said that the introduction of emergency measures would create conditions for safe living and that a decisive political battle would be embarked upon to implement the LCY's polciy on Kosovo. Rest assured that this time we shall be successful, Andjelkovic stressed, adding that the emigration from Kosovo has to stop and that it must be made possible for those who have already left to return.

Nationalists and their allies are using all means at their disposal to provoke us. It is in the interest of you in Kosovo that the battle to resolve the crisis be waged by political means, Andjelkovic and Minic reiterated. In response, the Kosovo Serbs and Montenegrins accepted the invitation to board their coaches and return home.

Kosovo Miners To Be Discharged From Hospital

LD0203173789 Belgrade TANJUG Domestic Service in Serbo-Croatian 1509 GMT 2 Mar 89

[Text] Pristina, 2 Mar (TANJUG)—At today's press conference, Kamber Avdiu, deputy chairman of the Provincial Committee of Information of Kosovo, announced that the remaining miners who spent several days in mining shafts would soon be discharged from hospitals in Titova Mitrovica and Pristina. Their state of health is good. Eighty-six miners are receiving treatment in the Titova Mitrovica hospital and 42 in the Pristina hospital.

Kamber Avdiu also assessed the situation in Kosovo as getting back to normal, which is illustrated by regular class attendance and transport functioning for the most part. At the request of journalists to confirm or refute rumors on the arrests of some people in Pristina involved in the organization of the November demonstrations and the latest events, Avdiu gave a brief reply that he did not release such information.

Strike, Demonstration Organizers Arrested

LC Secretary Addresses Rumors

AU0203141089 Belgrade Domestic Service in Serbo-Croatian 1300 GMT 2 Mar 89

[Text] Pristina—The Provincial Committee Presidium of the LC of Kosovo has been informed that respective services have started undertaking appropriate measures against individual persons on the basis of the conclusions made by the SFRY Presidency and other bodies. This was what Tomislav Sekulic, secretary of the Provincial Committee Presidium of the LC of Kosovo, has told journalists.

Journalists asked how true the rumors are which are spreading through Kosovo about Azem Vlasi having been arrested and Fadil Hodza having emigrated to Albania.

Respective bodies will issue specific data on how tasks are being realized, what has been done to date. This will done very soon, Sekulic added.

Vlasi, Abrasi, Kavaja Detained

LD0203150889 Belgrade TANJUG Domestic Service in Serbo-Croatian 1455 GMT 2 Mar 89

[Text] Pristina, 2 Mar (TANJUG)—The internal affairs organs of the (SAP) of Kosovo have detained—for the purpose of interrogation—Azem Vlasi, Aziz Abrasi, and Burhan Kavaja, because of evidence that, by their activity in connection with the events in November last year and in February this year in the province, they committed a criminal act, punishable in accordance with the SFRY Criminal Law.

It has also been announced that Vlasi, a member of the Kovoso LC Provincial Committee; Abrasi, the director of the Trepca composite organization of associated labor; and Kavaja, the director of the Stari Trg mine, will be handed over to the competent judicial organs for the purpose of further investigations and possible judicial proceedings.

Internal Affairs Statement

LD0203153489 Belgrade TANJUG Domestic Service in Serbo-Croatian 1512 GMT 2 Mar 89

[Text] Pristina, 2 Mar (TANJUG)—Azem Vlasi, a member of the Kosovo LC Provincial Committee; Aziz Abrasi, chairman of the management board of the Trepca combine; and Burhan Kavaja, director of the Stari Trg mine, have been detained; later they will be handed over to the judicial organs for further action to be taken.

This is stressed in a statement issued by the provincial secretariat for internal affairs, which reads:

"On the basis of the available date, which indicates that there is evidence that by their activities in connection with the events in November 1988 and February 1989, they committed criminal acts punishable in accordance with the SFRY Criminal Law, the organs of internal affairs have detained—for the purpose of being questioned—Azem Vlasi, a member of the Kosovo LC Provincial Committee; Aziz Abrasi, chairman of the management board of the Trepca composite organ of associated labor; and Burhan Kavaja, director of the Stari Trg mine, after which they will be handed over to the judicial organs for further action to be taken."

Kosovo Presidency on Arrests

LD0203223289 Belgrade TANJUUG Domestic Service in Serbo-Croatian 2130 GMT 2 Mar 89

[Text] Pristina, 2 Mar (TANJUG)—Troops and police are in Kosovo not to apply repression, but to create the kind of conditions guaranteeing peace and security for all so that problems can be tackled under normal circumstances, Tomislav Sekulic, secretary of the Kosovo League of Communists Provincial Committee Presidency, said on Thursday.

Yugoslavia has been and will be ready to oppose any danger, Sekulic told a press conference. Commenting on the special measures imposed by the Yugoslav Presidency on Monday, after eight days of demonstrations and strikes by ethnic Albanians, he said that the measures must be observed and that all in Kosovo must return to their daily tasks—work and school.

An unprecedented homogenization has taken place lately among the ethnic Albanians, the Kosovo party official assessed, citing it as proof that resistance and the creation of a national movement are afoot. He called for dialogue with the Albanians, saying that people must rally and polarize so that all Serbs and Montenegrins stand behind the three Albanian politicians, while all Albanians see them as "pro-Serbian" and men "who have betrayed the Albanian [word indistinct]":

The League of Communists' policy in Kosovo has not collapsed, but it has been dealt a blow, assessed Sekulic. He expressed concern about the fact that Albanian Communists, especially in leaderships, keep silent. We must go back to the men who unanimously upheld the cadre changes in the Kosovo party, and we must see why they have in the meantime withdrawn, he emphasized.

On the resignations of Kosovo party officials Rahman Morina, Husamedin Azemi and Ali Sukrija, submitted following an ultimatum set by over 1,300 Albanian miners on an eight-day underground strike in the Stari Trg mine, Sekulic said that the method of pressure and blackmail is unacceptable. The Kosovo party must see who stands behind these demands and then discuss the resignations with the help of the League of Communists of Serbia Central Committee and the League of Communists of Yugoslavia Central Committee, he pointed out.

The Stari Trg mine is still out of operation, but there are no signs of anything new being planned there, said Sekulic. What they did and whose actually were the [words indistinct] voiced should be made clear to the miners, he said, stressing that until this was done there must be no risk of repeating some things.

Turning to the wave of resignations submitted or announced by Serbs and Montegrins in Kosovo, Sekulic assessed this as an expression of disagreement with and revolt at the way in which Morina, Azemi and Sukrija were forced to resign, and recalled that he himself had offered a resignation from his post.

French Journalist Reportedly Harassed in Kosovo
AU0203152789 Paris AFP in English 1511 GMT 2 Mar 89

[Text] Belgrade, March 2 (AFP)—A Yugoslav military patrol detained AGENCE FRANCE-PRESSE correspondent Helene Despic-Popovic for over three hours in Pristina, capital of the strife-ridden Kosovo Province, Thursday.

Mrs. Despic-Popovic, a French national, said that a Yugoslav photographer contributing to AFP, Srdjan Ilic, was also arrested and had his camera broken by the military, but he was not released with her.

Military authorities applying a state of emergency in Kosovo imposed earlier this week a gave a U.S. student in journalism 24 hours to leave the province. The U.S. youth asked not to be identified. The three had been checked by police earlier in the day.

Regional security official Slobodan Markovic told Mrs. Despic-Popovic that authorities were "going to expel several journalists for snooping around everywhere in Kosovo." But Yugoslavia's Deputy Minister of Information, Dragan Ivanovic, who was staying in Pristina Thursday, said "No steps have been taken yet in this matter," adding that foreign correspondents have not been subject to any restrictions.

Vojvodina Presidency Affirms Support for State
LD2802154689 Belgrade TANJUG Domestic Service in Serbo-Croatian 1426 GMT 27 Feb 89

[Text] Novi Sad, 27 Feb (TANJUG)—The Presidency of the SAP of Vojvodina fully supports the actions taken by the top state and party organs in the country, the SR of Serbia, and the Socialist Autonomous Province of Kosovo for the consistent respect of constitutionality and legality, to ensure normal conditions for life and work, and for the unhindered functioning of all institutions of the system in the Socialist Autonomous Province of Kosovo. This is stressed in a statement from a session of the Presidency of the Socialist Autonomous Province of Vojvodina in its augumented composition.

Based on this and the purpose of the measures which have been undertaken, the work and activities of state and self-management organs and other elements of the political system in the Socialist Autonomous Province of Vojvodina should contribute to united action for the stabilization of the security situation in Kosovo and in the country as a whole, in the assessment of the Vojvodina Presidency.

In a statement from the session of the Vojvodina Presidency it is stressed that working people and citizens, members of all nations and nationalities in Vojvodina should contribute by their work and behavior to overall efforts by society and the LCY to create conditions for a way out of the crisis and for the implementation of the reforms which have been started in the economy and in society.

In accordance with the stands and activities undertaken and initiated by the top state and party organs of the federation, the Presidency of the Socialist Autonomous Province of Vojvodina considers that all miners, regardless of their national affiliation, should end the protest in the mines and thus contribute to the overall efforts by the Yugoslav community for overcoming the present economic, political, and other problems.

Kosovo Defense Committee Issues Communique
AU0203190089 Pristina Domestic Service in Albanian 1800 GMT 2 Mar 89

[Text] Following the application of special measures proclaimed by the SFRY Presidency, the Kosovo People's Defense and Social Self-Protection Committee, meeting yesterday to assess the political and security resulting from recent events, issued a communique which states that the situation is severe and complicated and requires the full commitment of the LC, sociopolitical organizations, and state organs in order to defend the constitutional order and secure public and personal safety, public and personal property, particularly public property of vital importance for the normal functioning of the economy throughout the province. Measures are also necessary to normalize all economic and social activity.

The committee informed all people's defense and social self-protection committees in the province to implement all the measures stipulated by the SFRY Presidency with a high sense of responsibility and discipline. The political and security situation must be assessed broadly and in conformity with the special circumstances in all

communes, organizations of associated labor, local communities, and all institutions. The measures must be adequate, in view of the situation that has been created, and must serve to stabilize the overall situation in the province.

A broader political action must be organized and all possible political and legal measures must be adopted against those who fail to carry out their work responsibly.

The committee stresses that this activity must be carried out primarily among the workers class, young people, and all citizens in Kosovo. The main task is to secure the production process, as well as the learning process in all the schools. The main responsibility in carrying out the measures stipulated by the SFRY Presidency lies with the Kosovo LC Provincial Committee and the Kosovo Presidency, which appeal to all workers and citizens to contribute toward the stabilization of the situation.

Montenegro's SAWP Favors Policy on Kosovo

LD2702155189 Belgrade TANJUG Domestic Service in Serbo-Croatian 1336 GMT 27 Feb 89

[Excerpt] Titograd, 27 Feb (TANJUG)—The Presidium of the Republican Conference of the Montenegrin SAWP today rendered its full support for the evaluations and measures taken by the state and party organs of Yugoslavia, Serbia, and Kosovo to break the counterrevolution and more rapidily establish work, order, and peace in the province. The Presidium also described any compomise and concession to the detriment of the established policy on Kosovo and the constitutional setup of Serbia as unacceptable to Montenegro and to our country as a whole. [passage omitted]

Macedonian Presidency on 'Critical' Situation

LD2802190689 Belgrade TANJUG Domestic Service in Serbo-Croatian 1652 GMT 28 Feb 89

[Summary] Skopje, 28 Feb (TANJUG)—"The political and security situation in the country is extremely critical, with a tendency toward further exacerbation and threats to its security and integrity. This assessment reportedly was made at today's session of the Macedonian Presidency chaired by Jezdimir Bogdanski and attended by the leaders of some republican organs and organizations.

"The statement mentions the increasingly prominent confrontation and lack of national trust in the country with respect to resolving the political and security situation in Kosovo. For this reason, the Macedonian Presidency draws special attention to the danger of the further deepening of national divisions and intolerance which creates objective grounds for and encourages the activity of hostile forces from all these positions. All this, especially Albanian nationalism and separatism, puts into direct danger not only the integrity and security of Kosovo, but also the sovereignty of the country as a whole."

The Macedonian Presidency gives its full support to the measures of the SFRY Presidency and the stands of the LCY Central Committee Presidium calling for all measures to be taken and forces mobilized in order to defend Yugoslavia and insure its further prosperity.

TANJUG Summarizes Reaction to Kosovo Events

LD0203232189 Belgrade TANJUG in English 2036 GMT 2 Mar 89

[Text] Belgrade, March 2 (TANJUG)—Stormy political developments in Yugoslavia in the past days continue today to draw reactions from various political organizations, institutions, enterprises and individuals throughout the country. The reactions mostly express full support for the decisions and stands of the federal state and party leadership.

At a session of its leadership today, the Yugoslav war veterans' organization extended full support to the special measures introduced by the collective state leadership in the province of Kosovo on Monday.

The measures have been taken in Kosovo, a part of the republic of Serbia with a predominantly ethnic Albanian population, with a view to ensuring law and order and eliminating the danger of inter-ethnic conflicts.

Expressions of support for the state and party leadership are coming chiefly from the republics of Serbia, Montenegro and Bosnia-Hercegovina and the provinces of Vojvodina and Kosovo. The reactions also include expressions of dissatisfaction with the recent gathering in Ljubljana, the capital of the republic of Slovenia, which upheld the ethnic Albanian miners who were striking in a mine shaft in Kosovo.

The striking miners demanded resignations by leading party officials in the province and expressed dissatisfaction with amendments to the Constitution of the Republic of Serbia. The Ljubljana gathering's support of the [word indistinct] has been assessed by most of the Yugoslav public as taking the part of Albanian separatists in Kosovo and as an open attack on the policy of both Yugoslavia and the republic of Serbia.

[Words indistinct] to these reactions, president of the Slovene Socialist Alliance Joze Smole, who had attended and addressed the Ljubljana gathering, said today that "some overtones which were out of place" could be heard at the gathering.

Reactions reaching the state Presidency, chiefly in the form of more than one thousand telegrams, also include expressions of dissatisfaction with the stands on Kosovo adopted by some political organizations in the republics of Slovenia and Croatia.

Pristina Radio Director, TV Officials Resign

AU2802192589 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 28 Feb 89

[Text] Milorad Vujovic, director of Pristina radio, has offered to submit his resignation in writing to the Kosovo Assembly, which is the founder of this public information institution, if the demands of the miners of Albanian nationality are met. Vujovic said that since the introduction of special measures in Kosovo, he has not been able to influence to the necessary extent the realization of the radio editorial policy because of the support some individuals from the editorial board for programs in Albanian have enjoyed, due to their collusion with some leading men from the legal provincial bodies.

A resignation was also submitted by the chief and responsible editor Bosko Drobnjak. He explained that he cannot tolerate the way in which Pristina television, in its Albanian language programs, informed the public about dramatic events in Kosovo.

Resignations were also submitted by the assistant director of Pristina television, Teodor Brudar, and the chief editor of the Serbo-Croatian program, Miladin Jovic.

Milorad Roganovic, president of the action conference of the Pristina Television LC, informed the Pristina LC Communal Committee that he is also resigning, and said that there are people in that organization who act from positions of Albanian separatism and nationalism.

Pristina Journalists Threaten To Strike

LD0103211589 Zagreb Domestic Service in Serbo-Croatian 1800 GMT 1 Mar 89

[Summary] The situation in Kosovo, which has lately been very turbulent, is calming down a little after a few exceptionally dramatic days. Production is gradually getting back to normal and necesary preparations are being carried out in the mines to resume regular excavation. One hundred and fifty miners are still receiving treatment in various hospitals. Serbian and Montenegrin schoolchildren are gradually returning to schools, and the situation at Pristina University is expected to be normal soon. However, some problems still exist.

"The Pristina Radio journalists of the Serbo-Croatian section are demanding whole-day transmissions, and warning that should this fail to happen within 48 hours, they will start a strike. Milorad Vujovic, director of Pristina Radio, and his Serbian and Montenegrin assistants, who hold specific functions in the radio, announced their resignations if the resignations of Morina, Azemi, and Sukrija are accepted. Many other Serbian and Montenegrin officials have, in the past few days, acted in a similar way, also announcing their resignations if the resignations of the above three are accepted.

"The resignations of Zivojin Mitrovic, secretary of the Pristina LC Municipal Committee Presidium and acting president of this body; Slobodan Dinic and Zivko Gogic, Presidium members; and executive secretaries Nikola Saric and Momcilo Trajkovic came into effect today. After these resignations the organs of the Pristina LC Municipal committee have virtually remained uninational. There has also been news that Kosovo writers have broken off all contacts with the Serbian Writers' Assocation because the latter broke off all relations with the Slovene writers.

"Let us just add in this connection that in Pristina, suspicions as to the objectivity of the Albanian information media are becoming increasingly loud, especially with regard to the recent events."

Two Pristina Officials Submit Resignations

LD0203170189 Zagreb Domestic Service in Serbo-Croatian 1400 GMT 2 Mar 89

[Text] Slobodan Jaukovic, secretary of the Pristina SAWP Municipal Conference, today submitted his written resignation, which had been announced a few days ago. Nada Tokovic, president of the Pristina Municipal Conference for the Social Activity of Women, did the same. She also announced her resignation to both the provincial and federal conference.

Situation in Kosovo Reportedly Normalizing

LD0203203589 Belgrade TANJUG in English 1759 GMT 2 Mar 89

[Text] Pristina, March 2 (TANJUG)—The situation in Yugoslavia's Autonomous Province of Kosovo, shaken by eight days of demonstrations and strikes by ethnic Albanians and two days of strikes and protest rallies by Serbs and Montenegrins, is quietening down.

Almost all shops and schools have re-opened today, four days after the Yugoslav Presidency imposed special measures in the province and two days after the Kosovo internal affairs secretary issued an order restricting movement.

In the Stari Trg mine, where about 1,300 Albanian miners held an eight-day underground strike, production will be resumed after a technical check-up.

One hundred and twenty-eight miners, whose health was impared by the strike, will soon be released from hospital, an official of the Kosovo Information Committee said.

The Kosovo Committee for General People's Defense and Social Self-Protection—a civilian body in charge of security—announced on Thursday that all organs must carry out responsibly and with discipline the special measures proclaimed by the Yugoslav Presidency on Monday. The Presidency of the League of Communists of Kosovo Provincial Committee and the Presidency of

Kosovo bear the greatest responsibility for the implementation of these measures, a statement from yesterday's session of the Yugoslav state Presidency said.

The serious situation in Kosovo calls for responsible efforts by all organs in protecting the constitutional order, law and order, property and personal security of all citizens, as well as social property, especially facilities of vital importance, the Committee for General People's Defense and Social Self-Protection said.

All legal and political measures must be taken against all who behave irresponsibly, the statement added.

It stressed taht the most urgent need now was to provide for the earliest possible resumption of normal production and regular instruction in schools and at the university.

Kosovo Described as 'Returning to Normal'
LD0303114189 Belgrade TANJUG Domestic Service in Serbo-Croatian 0927 GMT 3 Mar 89

[Text] Pristina, 3 Mar (TANJUG)—Judging by information from the provincial information center, the situation in Kosovo is gradually returning to normal today. There are no reports of negative reactions to yesterday's news about the detention of Azem Vlasi, Aziz Abrasi, and Burhan Kavaja because of suspicion that they were involved in the demonstrations and strikes in Kosovo. Production is going ahead normally in most work collectives.

Teaching in Serbo-Croatian is the only thing which has still not yet fully returned to normal. Truancy is particularly pronounced in the Pristina school center of Velkjo Vlahovic.

Work is expected to start today in the other two mines: Goles and Muhadzer Babus in the Lipljan Municipality.

Political Scene Described as 'Clearing Up'
LD0303093789 Belgrade TANJUG in English 0130 GMT 3 Mar 89

[By Dragan Milosavljevic]

[Text] Belgrade, March 3 (TANJUG)—After eight years of wrangling, Yugoslavia's top political forums have finally acknowledged that a counter-revolution by Albanian separatists is behind the drama affecting the minority Serbian population in Kosovo.

It has also been acknowledged for the first time in contemporary Yugoslavia's political terminology that workers can be manipulated—in this case miners who forced political concessions by refusing to leave the pits.

In a mass reaction to this instance of blackmail and the support it gained outside Serbia, expecially in Slovenia, one million inhabitants of Belgrade demanded from the top party and state bodies that the organizers of the strike be unmasked, arrested and brought to trial.

This is only one in a series of demands for clearing up the Yugoslav political scene that have been accepted by the state and party leadership at a moment when time is working against the leadership.

After state and party presidency meetings, the Assembly of Yugoslavia also held a special session and reconfirmed previously made assessments that separatist activities were rampant in Kosovo, and that an attempt was being made to divide Yugoslavia with the aim of joining to Albania.

Yugoslav state Presidency member Lazar Mojsov cited figures that have been known for years which speak of the exodus of the Serbian minority from Kosovo.

Since 1981, about 50,000 Kosovo inhabitants of Serbian nationality have left their homes under pressure by Albanian separatists, Mojsov said.

Statisticians from Serbia claim that some 300,000 Serbs have left the province in the period after World War Two. Shortly after peace was declared, separatist activities started developing. Serbs now account for a mere eight per cent of Kosovo's population.

It is now up to historians to determine why Yugoslavia failed for more than [word indistinct] to react in its policy against the activities of those Albanians who do not want Yugoslavia as their country, but wish to see Kosovo a part of Albania. Mojsov said that the separatists had been issued precise instructions to this end by the Albanian secret service.

However, despite the agreement reached between the party and state leaderships that urgent action was needed in Kosovo, the political scene remained a stage for often unnecessary polemics which merely slowed down all action. Serbia, which through imprecise interpretations of the 1974 Constitution was practically placed under the guardianship of its provinces and lost its sovereignty, is now resolved to rid itself of this burden. This is at the core of the conflicts with the former, but still influential political leaderships of Kosovo, that want to deprive Serbia of this right.

Until the latest dramatic developments in Kosovo, the other Yugoslav republics more or less regarded the problem of Serbia's impaired statehood as a theoretical and not essential question and avoided taking a stand.

Now all dilemmas should be urgently resolved and the direly needed economic reform implemented, because this is the only way for Yugoslavia's communists to avoid lagging hopelessly behind events.

It seems to be clear to all the participants in the Kosovo and Yugoslav drama, that unless the problem of Kosovo is solved, Yugoslavia, a country of great possibilities, cannot go forward.

'Normalization' of Life, Work Continuing

AU0303082189 Belgrade Domestic Service in Serbo-Croatian 0800 GMT 3 Mar 89

[Text] TANJUG reports that the normalization of life and work in Kosovo has been continuing after the general strike and aggravated situation which resulted in introducing special measures with a view to preserving the constitutional setup in the province. Activity today will also be directed to those key points which ensure the normal functioning of the system. The return of school children and students to lectures will be a very valuable contribution to a general stabilization.

Work Resumes in Titova Mitrovica Enterprises

LD0203121189 Belgrade TANJUG Domestic Service in Serbo-Croatian 1035 GMT 2 Mar 89

[Text] Titova Mitrovica, 2 Mar (TANJUG)—Efforts continue today in Titova Mitrovica to get life and work back to normal. Work has been resumed in all enterprises and work organizations except in the Stari Trg pit, where technical and other checks are still being carried out.

Lessons in both Albanian and Serbo-Croatian are being held in the majority of primary and secondary schools and at the Mining Faculty in Titova Mitrovica.

TANJUG Responds to Claims of Chauvinism

LD0103012889 Belgrade TANJUG in English 0020 GMT 1 Mar 89

[Text] Belgrade, February 28 (TANJUG)—In an interview recently broadcast by Radio Tirana, Secretary of the Albanian Party of Labour Central Committee Foto Cami attacked Yugoslavia for what he called its "long-standing national oppression" of Kosovo Albanians and "ceaseless discrimination" against them, and its "chauvinistic policy" and "anti-Albanian campaign."

There is no need to deny these claims, but they deserve to be called what they really are—glaring lies.

Cami also accused Yugoslavia and its leadership of "incomprehensible and distressing indifference," of "lacking the wish to find the right way" in Kosovo, "refusing dialogue with its own people," and "closing its eyes and ears" to the cries of Kosovo Albanians "who only want the same rights as the other Yugoslav peoples."

Anybody who knows the conditions in Yugoslavia, knows that its ethnic Albanians as a nationality have the same rights as all the Yugoslav peoples, all citizens of Yugoslavia, and that they certainly enjoy many more rights than the ethnic groups in some other countries, including Albania.

Evidently, Albania is anxious to present Yugoslavia in a bad light and not that the truth about Kosovo and the Albanians in this Yugoslav province becomes known. That is why Radio Tirana persistently tells its listeners abroad that decisions on the rights of the Albanians in Kosovo cannot be made by Yugoslavia alone, but should be made "by all those who like Yugoslavia" and that those "who wish the long-suffering Balkans to live in peace and security" "should be brought into" dealing with the Kosovo situation.

"The good and the bad in world storms have often equally affected Yugoslavia and Albania," correctly notes Secretary Cami. This however does not mean that Albania can lecture Yugoslavia, least of all in the sphere of human rights.

The Albanians in Kosovo and, for that matter, anywhere else in Yugoslavia enjoy greater rights than the Albanians in Albania itself. It is in Yugoslavia and not in Albania that the Albanians have the right to protest and to express their own opinions.

At all times, the Albanians in Yugoslavia, like all Yugoslavs, enjoy the freedoms of movement inside the country and of travelling abroad. They can travel to 52 countries without entry visas. In contrast to the Albanians in Albania, Yugoslav Albanians freely travel abroad and return home. Is this proof of their being "endangered" in Yugoslavia.

'General Atmosphere of Fear' Denounced in DELO

AU0203163889 Ljubljana DELO in Slovene 28 Feb 89 p 1

[Tit Dobrsek commentary under the rubric "Topic of the Day" and headlined "Freedom, Our Country"]

[Text] By producing a badge with the inscription "Kosovo, my country" against the background of the start of David, which those attending the meeting at Cankar Hall pinned to their lapels, the Slovene young people wanted to sound a warning that the thinking in Yugoslavia have been infected by a mentality that for its aggressive expansion it needs Jews in the persons of Albanians, Slovenes, Muslims, "autonomists," "fascists," "spies," or other similar protuberances on the straight road to some bright future. However, it seems that on this long Yugoslav journey into the night it would be appropriate to produce a badge with a different, Lamartinelike colored inscription: Freedom, my country.

The fact is that we are living in a period when the authorities are obviously incapable of preserving their position except through fear which blocks all development and that has literally forced people into underground shafts: This is fear of a counterrevolution, of a civil war, of military coup, of emergency measures, and so on. In this general atmosphere of fear there is no room for freedom for individuals or for groups and peoples. This is what the Kosovo miners also tried to tell us in their own way when they shook and polarized the Yugoslav public with their 8-day strike in their mine shafts. In this long and painful game of wager everyone has been able to pledge a part of his consciousness, some with appeals for reason and humanity, others with anathemas and condemnations, and some others again with offered resignations.

It is still too early to say who—either the miners or the politicians—will win this wager but we should not give up the efforts to ensure that it will be freedom which will win in the end. Should this not happen, mine shafts will turn into symbols of our helplessness and our inability to resist an irrepressible slide into the underground caverns of the modern world.

Proceedings of Ljubljana Meeting; Reaction

Kucan, Smole Speak

AU0203144389 Ljubljana DELO in Slovene 28 Feb 89 p 3

[Unattributed report: "Slovenes Want Victory of Reason, Peace, and Cooperation and Not the Introduction of Emergency Measures in Kosovo" on Meeting at Ivan Cankar Cultural Hall in Ljubljana on 27 February 1989]

[Excerpts] Ljubljana, 27 Feb—By the time the meeting at the Cankar Hall against the introduction of the state of emergency and for peace and togetherness in Kosovo ended, 245,000 people throughout Slovenia had signed a statement against the introduction of the state of emergency and for peace and togetherness in Kosovo. Addressing the audience filling the great hall, Joze Osterman, representative of Ljubljana city, which organized the peaceful and dignified meeting, concluded his statement with the following appeal: Let us all spare no efforts to ensure that Yugoslavia will be a warm mother to its sons and daughters and not a pale mother of its persecuted sons and daughters. [passage omitted]

The first speaker, Joze Skolc (of the League of the Socialist Youth of Slovenia) said that the younger generation is constantly facing threats and is being told that if this is not done in such and such a way, that and that will follow.... And the reaction to the events in the Kosovo mine has been: If you do not desist, we will use a state of emergency. One can only picture a state of emergency with tanks, and we shudder at that. If today the Albanians in our country are Jews in the position of second-class citizens whom we reproach as a people of loafers, rapers, and what not, then the same thing can happen to some other people tomorrow. A state of emergency always represents a first step toward concentration camps. [passage omitted]

For us, the miners underground are neither Albanians, nor Serbs, nor Montenegrins. For us, they are workers, people who were pushed by hardships to choose this Gandhilike way of revolt, Milan Kucan said. No one has the right to settle political accounts by using human lives. Human life is above any political commandment. This is and will always be our guideline. For this reason, there can be no other more urgent task at this time than the effort to bring miners out of their mine shafts and to end their agony. We demand that all activities and decisions of all organs and all leading people in Kosovo, Serbia, and everywhere in Yugoslavia be subordinated to this fundamental human obligation. We hope that the pressure of human solidarity will be sufficient to ensure the victory of reason and dignity.

Whoever thinks that the miners are not right must save their lives if he wants us to continue to believe in his good intentions. Whoever thinks that the miners are right must save their lives because they are people and not because they are right. Whoever does not know whether the miners are right or wrong must save their lives simply because he wants to remain human. Humanity is concrete or it does not exist.

As long the miners remain in the pit, humanity must speak and the battle for power must be silent! Humanity, and again more humanity, is also needed if we want to avoid a situation in which first some individuals and next time some other individuals are forced to pledge their lives to preserve human dignity.

We raise our voice to stop the currents that lead to a state of emergency and bloody civil war, and to express our firm conviction that the will of the people, the peoples and nationalities who want to live Yugoslavia in harmony, peace, and togetherness, will win sooner or later.

In expressing our solidarity with the miners and their human distress, we are not retreating from our principled positions. We are not in favor of having cadre and constitutional changes foisted upon anyone with threats and ultimatums, not even when Kosovo miners, workers, and youth are concerned. And in this connection we protest against double standards whereby, without a second thought, revolutionary character is attributed to Serbian meetings, whereas there is a priori a suspicion as far as the Albanians are concerned, even when they acclaim Tito, the existing Constitution, and their own political leaders.

It is beyond any dispute that some reasonable amendments to the Constitution of the SR of Serbia are necessary. These amendments in themselves do not abolish the autonomy. But it is true that fear of such a result is being intensified by tendentious interpretations that this is only the first step toward a liquidation of the

provinces. This fear is especially intensified if the amendments are to be interpreted and implemented by leaderships that do not enjoy the support and confidence of the majority of the people and Communists among all the peoples and nationalities of Kosovo. The Stari Trg miners instinctively sensed that danger, and only firm guarantees that this cannot happen will bring them out of their shafts.

We Slovenes are a small nation. For this reason, solidarity with a threatened minority is close to our hearts. There is no doubt that in their clash with the hegemonistic aspirations and especially the greater Serbian aspirations, the Albanians are such a threatened minority. However, the Serbs and Montegrins are a minority in Kosovo. Without their safety, freedom, and equality there can be no stability or togetherness and peace in Kosovo, Serbia, and Yugoslavia. It is the duty of the Albanian majority to ensure their safety, freedom, and equality. This is its moral obligation, and even more than that! For this reason only malevolent and blinded people can interpret our support for the Stari Trg miners as support for irredentists. Any policy against any people is not our policy. Neither the anti-Albanian policy in Serbia nor the anti-Serbian policy in Kosovo can claim our support. Let me conclude this statement by expressing the view that never before in our history has it been as crystal clear as it is in this case that the price of hegemony is very high, not only for the oppressed people but for their oppressor as well. [passage omitted]

In his statement, Joze Smole first quoted a letter from Prof Dr Janko Kostnapfl, who says that there is no indication of any demonstrative suicidal intention. There is only a call for help. Do our most responsible officials want to provoke the biggest, fatalist group suicide in the history of mankind?

We are convinced, Smole continued, that this statement expresses the feelings and thoughts of all people of Slovenia. But we are also convinced that a solution preventing the worst can be found with goodwill and political wisdom and concern. The fact is that human life must have priority over all other priorities.

At our meeting, we appeal for reason and the defense of humanity, and in the name of democracy we demand politically wise and ethical actions that will bring peace to Kosovo. We demand that basic human rights be guaranteed and respected in all parts of Yugoslavia as a law-governed state.

Emergency measures can bring no long-term solutions, Smole further said. Direct democracy, recognition of political pluralism, and equality of all peoples and nationalities alone can guarantee a promising future. We possess sufficient strength for the respect for human rights and for direct democracy. After all, we strive for that in all of Yugoslavia. Our meeting is dignified and principled and therefore it would be irresponsible for anyone to proclaim that it is anti-Serbian. The Slovene people and citizens of Slovenia have always opposed attacks either against the Serbian people or the Albanian nationality, and in the same way we have always opposed the nationalist mood of either side, Smole concluded.

Smole Justifies Protest

LD0203194689 Belgrade TANJUG Domestic Service in Serbo-Croatian 1457 GMT 2 Mar 89

[Text] Ljubljana, 2 Mar (TANJUG)—Nothing can be solved by meetings. A great number of mass meetings were held in Serbia under the slogan of support for the Serbs and Montenegrins in Kosovo, but there have been no results; Serbs and Montenegrins are still emigrating. The situation in Kosovo has never been so bad, or relations so troubled.

This was stressed by Joze Smole, president of the Slovene SAWP Republican conference, at today's consultations with leaderships of the Socialist Alliance in municipalities, organized by the SAWP republican conference. The consultation were held in Ljubljana. The discussion of current events was opened outside the agenda.

Talking about the gathering held in the Cankar Hall last Monday, the aim of which was to voice support for peace in Kosovo and opposition to the introduction of the state of emergency in the province, Smole did not accept assessments that this was a protest meeting. Smole repeated the reasons for and the content of the appeal which he sent to Dizdarevic, Suvar, Milosevic, and the Kosovo LC Provincial Committee, pleading for political wisdom.

However, many citizens believe that the clearly expressed stances of the Slovene LC Central Committee Presidium, the republican Presidency, and the leadersip of the Socialist Alliance and trade unions were insufficient. As a result of this a decision was reached by consensus that a gathering be organized in the Cankar Hall and a statement be adopted.

Smole then said that 'we do not want to pour oil onto the flames, but we should be careful not to do anything to worsen the situation. We are advocating a realistic solution to the problems in Kosovo and to the probolems in Yugoslavia in general,' he said.

Smole talked about the desire of some people, such as Solevic, for incidents, which would later be used to achieve their aims, to happen in Slovenia. Solevic is lying when he claims that Serbs and Slovenia do not have rights, Smole stressed, and went on to point out the editorial in the Pristina JEDINSTVO, which talks about the inevitability of introducing extraordinary measures in Slovenia if measures against counterrevolutionary events are not undertaken.

The gathering in Ljubljana, Smole continued, was used to 'create an anti-Slovene mood and to launch the thesis that we allegedly support the counterrevolution in Kosovo; it was allegedly shown that an unprincipled coalition aimed at the disintegration of Yugoslavia itself was operating. The president of the Slovene SAWP Republican Conference called the translation of speeches by participants in the gathering in Ljubljana on the Belgrade television the same evening scandalous. As a result of that translation, some stances 'looked as if they were anti-Serbian.'

However, Smole said that some speeches had overtones which probably had no place at the gathering in the Cankar Hall. He mentioned the appearance of the Star of David and the reactions of the Jewish community in Belgrade, and underscored that 'we can not be responsible for every detail of what happened in the Canakarev Hall. Everyone is responsible for his own actions.'

Smole also drew attention to the fact that when the gathering was convened, no one knew about introduction of the extraordinary measures in Kosovo.

Smole rejected attempts to present the gathering in Ljubljana as a direct attack on the state Presidency's decision, and pointed out a worrying phenomenon — that some organizations of associated labor in Serbia reject business cooperation with organizations of associated labor in Slovenia. Such phenomena are irresponsible, according Smole. It is inadmissible for the current political preoccupations to be brought into the economy.

In connection with telegrams and other demands that he submit his resignation, Smole stated that he is prepared to do so immediately if Slovenia demands it. Participants in the meeting supported Smole with acclamation.

Smole then stressed that the current politics should not bring into question the good relations between the Slovene and Serbian peoples. According to him, speeches have always been made against the anti-Serbian mood in Slovenia, but not against the anti-Albanian mood. In some parts of Yugoslavia they do not want to hear this, although our attitude toward emigration from Kosovo has been clear. We are united in the view that everything should be done to prevent emigration under pressure, and in our thoughts we are with the Serbian people. We are aware that Kosovo is a common Yugoslav problem and that without stabilization in Kosovo, the situation in Yugoslavia itself cannot be stabilized.

Smole also pledged that the holding of the annual brotherhood and unity train going from Slovenia to Serbia would not be put into jeopardy as a result of the current political climate. Smole pledged that in all collectives in the republic where people from other republics work, a correct interpretation of the Slovenia stances is possible.

The discussion supported the Slovene leadership and rejected the thesis that the Slovene people have different stances from their leaders. It was reiterated again that Slovenia still sees that the fulfillment of its prospects lies in a socialist federative Yugoslavia.

The extraordinary measures are controversial from the humanitarian point of view, Vlado Barabas said in the debate, and objected to the methods used whereby obedience is secured by the power of voice [as heard]. If we agreed with such methods, we would agree with the principle of majority decisionmaking, which is in direct opposition to the principle of the equality of nations. He also rejected demands from other quarters that the Slovene leaders be dismissed. Just as we did not interfere in the decisions of the Serbian people regarding their leaders, no one has the right to replace our leaders. Barabas stressed explicitly that he regards Smole as the right man for this office, because he permits a democratic dialogue and knows how to listen to arguments, both in Slovenia and elsewhere.

Ciril Zlobec, vice president of the Slovene SAWP Republican Conference, expressed the opinion that support was not given to irredentists in the Cankar Hall on Monday. He accepted that the display was really 'provocative,' but the desire was to express Slovene pluralistic society through a display. Individuals advocating anticommunism spoke at the gathering. According to Zlobec, this means that Slovene society is formed in such a way that it preserves pluralism within, but is united toward the outside world.

This is against the ideology of meetings which aim for hegemony. Meetings have become the only authority in the country, Zlobec said. In order for the principle of the legal state to be respected, Zlobec expressed support for the initiative of the Slovene leadership to ask for the adoption of conclusions according to which during sessions of federal organs there could be no demonstrations in the vicinity. This is because such demonstrations would demand and dictate the behavior and decisionmaking of delegates of those organs.

Veterans Disagree on Meeting

AU0203194589 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 2 Mar 89

[Text] The implementation of special measures in Kosovo was a completely justified step by the SFRY Presidency, which should be supported in every way. This is the concluding stand of the extraordinary session of the Presidium of the Yugoslav Veterans Federation Presidium. Here is a report by Radovan Pantovic:

As well as extending support for the special measures in Kosovo, the Presidium condemned the strike by miners in Stari Trg and decided to postpone an assessment of the meeting in Cankar Hall in Ljubljana until the Slovene Veterans Association has established their own stand.

The escalation of events in Kosovo threatened the integrity of all of Yugoslavia and provoked the introduction of special measures in Kosovo. The Yugoslav veterans believe that the decision of the SFRY Presidency was justified and essential, as it should ensure peace, order, and security for everyone in Kosovo, stressed Milan Pribic, Yugoslav Veterans Federation president, in the introductory speech. All the participants agreed with this, while the discussion on the assessment of the meeting in Ljubljana had a polemical tone.

The delegation of Slovene veterans threatened to leave the session at one point. Their stand was that the events in Cankar Hall cannot be condemned in advance, which is what most of the other speakers had demanded. Ela Atena Ulrih first of all assessed the meeting in Ljubljana as support for the struggle for a socialist, self-managing, and federal Yugoslavia. This was confirmed by Bojan Polak and Franc Hocar. Their claims were opposed by Vasili Milutinovic, Mihajlo Svabic, Ibrahim Latific, and others, stating that this was an anticommunist and anti-Yugoslav meeting supported by Albanian separatists. Dusan Pekic stressed that a condemnation of the meeting does not mean a condemnation of Slovene veterans, but a condemnation of some phenomena in Slovenia.

After that, the discussion took a calmer course until the final conclusions.

Press Commentary

LD0203200289 Belgrade TANJUG in English 1820 GMT 2 Mar 89

[Text] Belgrade, March 2 (TANJUG)—An eight-day underground strike by ethnic Albanian miners, backed by Kosovo's ethnic Albanian population, has provoked different reaction in the public and the press in Yugoslavia.

Thus the Belgrade fortnightly INTERVJU, in a commentary on a rally in Ljubljana at which the "representatives of Slovenia's socio-political establishment, new parties and associations" expressed support for ethnic Albanians, describes the gathering as an "unprecedented trial of Serbia and the Serbian people in Yugoslavia".

The majority of participants in the Ljubljana rally "put all blame for the human tragedy of the Stari Trg miners on the Serbian leadership" and its "power-seeking ideology", INTERVJU says. As it turned out, the participants' concern for the miners' lives was used as a pretext for an open attack on Serbia's demand that it should acquire the same rights as Slovenia and other Yugoslav republics, INTERVJU writes.

Commenting on a statement by Slovenian party leader Milan Kucan at the rally, who said that the "legitimate demands of Serbia are being pressed by extortionate means" which are causing a turmoil endangering the substance of Yugoslavia, INTERVJU notes that this is contrary to everything Kucan has said on Kosovo at LCY Central Committee meetings so far.

POLITIKA EKSPRES of Belgrade observes that the rally saw under one roof Slovenian politicians, representatives of newly-established political parties and avowed opponents of Yugoslavia. The message from Ljubljana was clear and its was perfectly understood by the Belgrade students, who on Tuesday reacted at once and were joined by about one million people, POLITIKA EKSPRES writes.

POLITIKA, another Belgrade daily, dwells on the abuse of the Jewish national symbol by the Ljubljana meeting, stressing that its organisers have done "another injustice to the Jewish people by intentionally abusing the Star of David, a symbol of the untold suffering of Jews under the Nazis".

The Ljubljana rally used this symbol to equate Albanian chauvinists and separatists to the Jewish victims of the Nazi pogroms.

POLITIKA wonders that the Star of David should have been used at all because there is absolutely nothing that could associate the Jewish symbol with ethnic Albanians in Yugoslavia. Citing the great Slovene writer Ivan Cankar, POLITIKA says that it is too clear that enormous effort and great patience will be necessary to correct the distortions of history and malevolent policy.

On the other hand, DELO of Ljubljana writes today that the rally was both useful and necessary. It finds pride in the fact that no rally in Slovenia has presented ultimatums, demanded resignations of officials from other parts of the country, tried to impose opinions on others and obstruct federal organs.

DELO wonders why some are trying hard to present the Ljubljana rally as a stab in the back of Yugoslav unity while others see it as a spontaneous and emotional appeal to sense and the right to differ.

In a commentary entitled "Black Days of Yugoslavism", DELO writes that the day after the miners left the pit the Yugoslavia founded at the height of the last war died and that very little remains of the Yugoslav idea. The Belgrade meeting all but publicly degraded our common federal state, DELO writes.

Croatian Presidency Issues Statement on Unity

LD0203014189 Belgrade TANJUG in English 2352 GMT 1 Mar 89

[Text] Zagreb, March 1 (TANJUG)—The Presidency of the Yugoslav Republic of Croatia insists on constitutionality and legality and the implementation of the measures and decisions adopted by the Presidency of Yugoslavia and stands adopted by the League of Communists

of Yugoslavia (LCY)—Central Committee Presidency, says a statement released by the Croatian Republican Presidency after its session in Zagreb today.

The republican Presidency particularly stresses the importance of working in a responsible manner towards consolidating the economy and of an unhampered functioning of the Yugoslav socialist self-management system at all levels.

It is the achievements of the socialist revolution and the values established upon these achievements that are the basic interest and the irreplaceable criterion underlying all Yugoslav commitments and activities, and on them must be based and further developed Yugoslav unity and togetherness in the federative community of equal nations and nationalities. It is on this essential platform that the binding stands on and assessments of the current situation on the part of the assembly of Croatia, the Presidency of Croatia, the Presidency of the League of Communists of Croatia Central Committee and other organs and organisations in Croatia, have been clearly expressed and are known to the public.

Croatian Writers Comment on Kosovo Strikes

LD2702160289 Zagreb Domestic Service in Serbo-Croatian 1400 GMT 27 Feb 89

[Text] In a special statement in connection with the events in Kosovo, the Presidium of the Association of Croatian Authors noted today that two criteria exist concerning the assessment of the political rights of the citizens. In accordance with the first criterion, a putschist street mob, if what they do is in keeping with political calculations, is entitled to bring down all state and political leaderships. In accordance with the second one, when 1,300 Kosovo miners who are Albanians seek the resignation of three political leaders, they can only go with the agreement of the organization they represent. The Presidium of the Association of Croatian Authors also wonders what will happen to those who are now announcing the export of their right wing counterrevolution into Bosnia-Hercegovina, Croatia, and Slovenia. It stresses that Slobodan Milosevic's policy has not only failed to bring peace, hope, and cohesion to tragedy-torn Kosovo but has also brought it to the brink of civil war.

It also notes with consternation that the people behind all this policy, who hold positions upon which 1,000 human lives depend at the moment, have failed to tender their resignation even after 8 days of miners' lives in Stari Trg quietly ebbing away—although no one can stop them doing that.

Advise Milosevic To Resign

AU0203092989 Belgrade BORBA in Serbo-Croatian 28 Feb 89 p 2

[Report on statement issued by the Presidium of the Croatian Writers Association: "Milosevic Should Resign Immediately"]

[Text] The very thing that we apprehended and feared most has happened: There are two criteria upon which citizens' political rights are assessed in the SFRY at the moment. These criteria have been proclaimed and practiced by Slobodan Milosevic, president of the Central Committee Presidium of the LC of Serbia. According to one criterion, the putschist street mob has the right to overturn all state and political leaderships if that suits Milosevic's political calculations. This, among other things, is said in the statement issued by the Presidium of the Croatian Writers Association. This happened before the eyes of the entire Yugoslav public first in the Socialist Autonomous Province of Vojvodina and then in the SR of Montenegro and was received by Slobodan Milosevic and like-minded people with obvious delight. However, when 7 days ago 1,300 ethnic Albanian miners from Kosovo demanded of three provincial leaders, also Albanians, that they resign and were not alone in their demand—in fact, this number can be multiplied by a hundred—Slobodan Milosevic "changed his tune" and said in Pristina on 24 February that everybody has the right to demand Morina's or his resignation, but that it should be done in such a way that they step down by the will of the organization they represent. Will all those who jointly shouted against everybody in Yugoslavia who dared to express doubts about methods of political lynching or, to be more precise, the "cultural revolution" carried out in Vojvodina and Montenegro, methods that have already yielded the first results—several heads have rolled—now select Milosevic as their target? Or will somebody finally call to account these self-appointed agitators and storm troopers who overturned legally elected leaderships in Vojvodina and Montenegro ignoring the "organizations these people represented"? What shall we do with these people who, after all the evil deeds they committed in Kosovo, Vojvodina, and Montenegro, now announce the export of their rightist counterrevolution into the SR of Bosnia-Hercegovina, SR of Croatia, and SR of Slovenia? Or will they first replace Slobodan Milosevic, who has publicly renounced their methods?

The tragedy of the Albanian miners in Stari Trg mine is horrible. After that, nothing in this country can be as it used to be. Now we know that we have definitely been divided into first-class and second-class citizens: those who can do everything that Milosevic wants them to and those who can rot in the mine because they do not want to do what Milosevic wants them to.

We do not demand Milosevic's resignation because we have not and would not ever elected him. Nevertheless, we advise him to resign immediately. Not only has he failed to bring peace, hope, and togetherness to the tragic Kosovo, he has brought it to the verge of civil war.

Croatian Group Endorses Miners' Demands

LD2702155889 Zagreb Domestic Service in Serbo-Croatian 1400 GMT 27 Feb 89

[Text] Associating itself with the appeals made so far by the citizens, working people, and sociopolitical organizations and democratic public in Yugoslavia, the Croatian League for Peace lends its full and unreserved support to all actions which aim at saving, without delay, the lives of

all the miners now in the Stari Trg mine and of other Kosovo miners. It says that human lives constitute the greatest value of every human and socialist community and that saving their lives is more important than any office, forum, and individual and that their demand that Rahman Morina and Ali Sukrija should tender irrevocable resignations should be met as the basic requirement allowing the miners to leave the pit faces because their death would be tantamount to genocide.

Slovene, Croat Reaction to Kosovo Viewed

AU2802130289 Belgrade Domestic Service in Serbo-Croatian 0842 GMT 28 Feb 89

[Dragan Stavljanin commentary]

[Text] Our unity, that is, our disunity about the Kosovo issue has been confirmed. Unfortunately, it is the latter that has been manifested primarily so far. Instead of reacting resolutely and as a legal state to the counterrevolution that has been continuing since 1981, individuals in Yugoslavia wanted to haggle and [words indistinct] imagined opponents and thereby reach some aims of their own. One had to adopt a host of conclusions and some things had to become more than obvious for an accord to be reached between provincial, Serbian, and Yugoslav leaderships about the way to find the way out of the crisis for the first time after the 20th LCY Central Committee session.

This unity was in a way achieved at the moment when the strike by the Trepca miners began. This coordination of views was obviously disliked by some people. They have seen there certain signs of danger from centralism and Serbian hegemonism. Indignation about the suffering of ethnic Albanian miners was expressed at the meetings of some official organizations in Croatia and at the protest meeting held in Ljubljana last night. It was said that one cannot consider political offices more important than people's lives. The Serbian leadership is to blame for everything because it allegedly wants to subjugate minority peoples, to whom the Slovene people also belong. According to them, the Serbian leadership considers last year's protests by Serbs and Montenegrins to be the highest point of democracy and the present discontent expressed by Albanians as a hostile act.

The highest point of cynicism was reached when Joze Skolc, president of the Slovene youth, made the statement that Albanians are second-rate citizens in Yugoslavia.

There is no doubt that such humanitarian demands are justified, but if one observes facts in a broader scope, then they attain a different character. Without denying the need to save the miners' lives and health, one must say that the method of making political ultimatums is unacceptable. Whether officials will resign or not is now important as a principle, because following this logic, somebody may use the same method tomorrow to demand that Kosovo become a republic.

As concerns Morina's, Azemi's, and Sukrija's resignations, they can be interpreted in different ways, but above all as a contribution to calming down the situation in which Kosovo and all other problems can be solved. Instead of blaming Albanian nationalists—who treacherously use the workers to reach their own aims—for such a situation which seriously undermines interethnic relations and even the country's stability, at the Ljubljana meeting last night the finger was pointed at the Serbian leadership. It is simply impossible to believe the madness with which some communities attack this leadership and the legitimate Serbian demands that the civilizational shame of Serbs and Montenegrins being chased from Kosovo (?must be avenged) and that this republic should become a state like all of the other republics. This is said to be Serbian hegemonism which is aimed at subjugating others.

It seems that one deliberately forgets that due to the principle of consensus with the right to veto, these minority peoples, among which the Slovenes count themselves too, have the right to block the adoption of any important decision at the federal level in the name of preserving their own interests. Slovenia has used this right very often.

Let us now look at the issue of similar and different assessments of people's meetings. The meetings of Serbs and Montenegrins last year may not have been the highest point of democracy, as some people cynically remark. However, after 8 years of silence about their cries, these meetings were the only way these people could attract the attention of the Yugoslav public to the genocide committed against them. These meetings did not have the character of a political ultimatum. In a certain way, only the Novi Sad events in October had such characteristics, because the resignation of the Vojvodina leadership of that time was explicitly demanded. However, apart from this, the Novi Sad meeting has nothing else in common with these Kosovo protests, because what was demanded in the Vojvodina capital was the resignation of those people who opposed changes in the existing situation and it is well-known how grave it was. The people at Kosovo meetings demanded the resignation of those people who support changes. Therefore, they wanted to preserve the impossible situation in which Serbia is divided into three states. Moreover, this means there will be fewer chances to solve problems in the province and, finally, it is both indirect and direct support to counterrevolution and to the demand that Kosovo should become a republic.

Therefore, the latest events in Kosovo are more than a strike. Observed from the point of view of a legal state, they are counterrevolutionary. It is strange that words of support are found for the protest of the ethnic Albanian population alone and that the 8 years of suffering of Serbs and Montenegrins were treated with considerable indifference. It almost seemed that these people had lied.

These communities, particularly Slovenia, found an excuse in alleged lack of information. How have they suddenly become informed?

Now let us finally touch upon the assertion that the Albanians are second-rate citizens in Yugoslavia. Albanians, just like all the other nationalities in our country, have more rights than any national minority anywhere else in the world. Albanians, who make up the majority of the Kosovo population, in fact have their own state, something which also has not been seen anywhere else. It has never been possible anywhere for members of a nationality to terrorize members of a people. In order to increase the irony even more, through the funds allocated for the underdeveloped regions, Yugoslavia and Serbia have indirectly financed this activity.

Some people do not know about these facts or seem not to want to know about them. Instead of this, they are offering their own kind of democracy. For instance, it was said at the session of the Croatian Trade Unions Federation a few days ago that if Serb and Montenegrin miners go down the pit because of the unacceptable demands voiced by their Albanian colleagues, that will mean blackmail. Any comment here would be superfluous. Only, the advocates of the kind of democracy that is somebody's friend and somebody's enemy seem to forget that in this case there is no democracy for anybody.

BORBA Comments on Croatian 'Revolution'
AU2602162789 Belgrade BORBA in Serbo-Croatian 22 Feb 89 p 5

[Unattributed commentary: "A Forecast and an Invocation"]

[Text] Probably not an inconsiderable number of readers of NEDELJNA DALMACIJA were surprised by parts of a statement by Miroslav Solevic. They were perhaps most surprised by the part in which he said that "a house cleaning is expected in Bosnia-Hercegovina very soon, and then Croatia will follow."

Did Miroslav Solevic really say this and in such a way?

If he did, how does one interpret this and similar predictions and the claims that it would be in the interests of Yugoslavia to transplant the Montenegrin—Vojvodina political changes into other communities? How much attention does one pay in general to the desires of individuals, even though on this occasion this involved a man whose predictions and suggestions were at one time all but "brought to life" in their entirety during the boycott of lessons by students of Serbian and Montenegrin nationality.

Bearing in mind above all, the first of the previous two questions, BORBA gave the opportunity to Miroslav Solevic to explain and possibly correct or deny some of what could be seen in the communities which he emphasized both as a writing of prescriptions and "the export of revolution."

After Solevic's explanation, the dilemma contained in the second question has become more prominent. Especially because he not only confirmed and in some respects expanded his "forecast" but also because of the contents of the dilemma itself which, least of all, deserves to be easily overlooked or simply ignored because it has already caused political disruption in Bosnia-Hercegovina, Croatia, and Slovenia. Therefore, both in itself and because of the aforementioned effect, it deserved to be checked and to be estimated in political terms. BORBA has returned to it in this way also because in its occasional column "Political Estimations"—(and Solevic's statement is undoubtedly another occasion for such "estimations")—it proceeds from the attitude that "our experience shows that by simply ignoring something does not mean that it will cease to exist."

In its "Political Estimations" and in this one as well, BORBA proceeds from the need of Yugoslav politics to factually and politically analyze our reality in a deeper and better way and to elucidate in a better way the entire Yugoslav sociopolitical landscape. BORBA includes in this elucidation, the highlighting of some of those original unofficial political stands which are not valuable constant elements of BORBA's editorial orientation.

BORBA is doing this this time especially because Solevic's "forecast" goes beyond the framework of an individual's view of things and of the community in which the forecast is voiced. Solevic undoubtedly invokes what he predicts and shows his readiness to contribute to organizing "the dethronement of ossified bureaucratic structures" and not only by "producing platforms."

Yugoslavia must have—and this is now quite clear—a much more definite attitude to the whole complex of questions which concern what Miroslav Solevic is offering, inspiring, and encouraging. Especially as his view of carrying through an antibureaucratic revolution also does not allow different views, ways, and concepts, and deprives other communities of the right and the opportunity to decide by themselves and independently what is best and antibureaucratic for them, because the alphabet (or ABC's) of democracy is to permit others to choose their own routes, models, and ways, even for a possible separation from their own "ossified bureaucracies."

Papers Criticize 'Croatian Democratic Community'
LD0203142489 Belgrade TANJUG in English 1345 GMT 2 Mar 89

[Text] Zagreb, March 2 (TANJUG)—The Croatian Community, a political organization whose founding was announced these days in Zagreb, will be yet another source of nationalism, the Zagreb daily VJESNIK assesses today.

According to its clearly anti-communist orientation, recognizable longing for an allegedly non-existent Croatian identity and demand for forming a national political party in a new constitutional order—it is obvious that it is a question of establishing a new nationalist platform for action in Croatia, VJESNIK points out.

The Croatian Democratic Community is merely an updated version of the well-known political group which manifested its philosophy in the ominous "mass movement" of Croatian nationalism which emerged in the early 70s and was condemned throughout the country, the Yugoslav daily BORBA comments today.

The ideologist of the new community, the 1971 mass movement exponent, Franjo Tudjman, has immediately taken steps to disperse every doubt as to the community being completely unrelated to the mass movement by claiming that the "new alternative" emerges in order end "the silence forced on Croatia by the undemocratic suppression of the Croatian revival", the daily says.

The centre of the 1971 nationalist movement had dragged the republic of Croatia and its peoples into an abyss with the final result of not even Croatia as a separate state, but a fratricidal war like the one which took over one million lives during the second world war.

A number of political movements, primarily democratically and social-democratically oriented, have been active for the last few months in the Yugoslav republics of Slovenia and Croatia, for the time being within the largest socio-political organisation, the Socialist Alliance. A Yugoslav Society for Democratic Initiative was recently founded in Croatia.

The Presidency of Yugoslavia assessed these days that the foundation of political parties is incompatible with the constitutional system of the country and announced that it will insist on competent authorites taking all measures against such occurrences.

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